S. HRG. 111–5

EXAMINING PROPOSALS TO CREATE JOBS AND STIMULATE INDIAN COUNTRY ECONOMIES

HEARING

BEFORE THE

COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

JANUARY 15, 2009

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EXAMINING PROPOSALS TO CREATE JOBS AND STIMULATE INDIAN COUNTRY ECONOMIES

THURSDAY, JANUARY 15, 2009

U.S. SENATE,
COMMITTEE ON INDIAN AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 2:30 p.m. in room 628, Dirksen Senate Office Building, Hon. Byron L. Dorgan, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. BYRON L. DORGAN, U.S. SENATOR FROM NORTH DAKOTA

The CHAIRMAN. We are going to call the hearing to order. This is a hearing of the Indian Affairs Committee of the United States Senate. I will be joined by Senator Murkowski momentarily and a couple of other colleagues. I appreciate the witnesses being with us today.

Today the Committee is going to examine the need for infrastructure and job creation on Indian lands and in Indian Country in this Nation of ours. We are having this discussion because of the current state of the national economy and because the President-elect has talked about the urgent need to create an economic recovery program, described by some as a stimulus program. Work is underway now, I am chairman of one of the appropriations subcommittees, and work is underway in my subcommittee and all subcommittees on the economic recovery program.

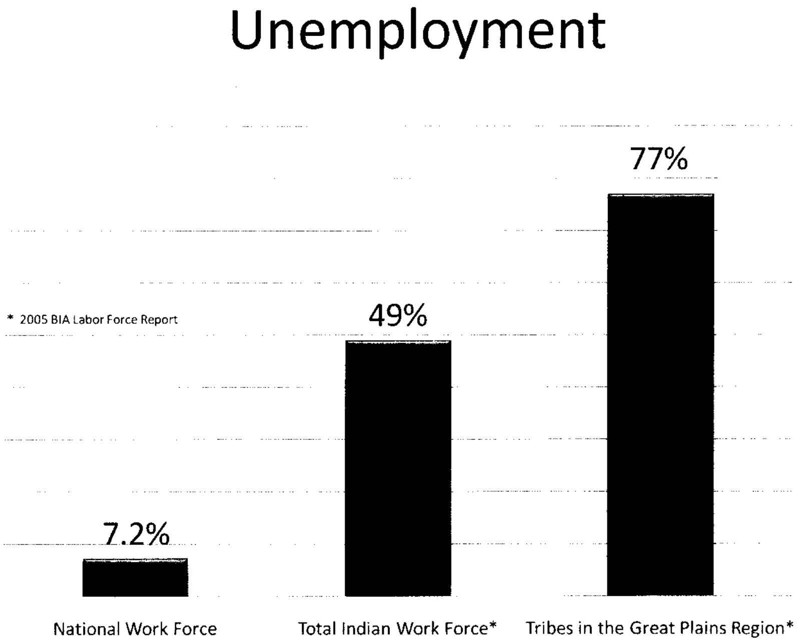
The President-elect and many others have described a need for a very substantial program. The press reports talk about $500 billion, $700 billion, last week I heard $1.2 trillion. If so, the question is, where is that investment made and what kind of jobs will it create in what area of our Country?

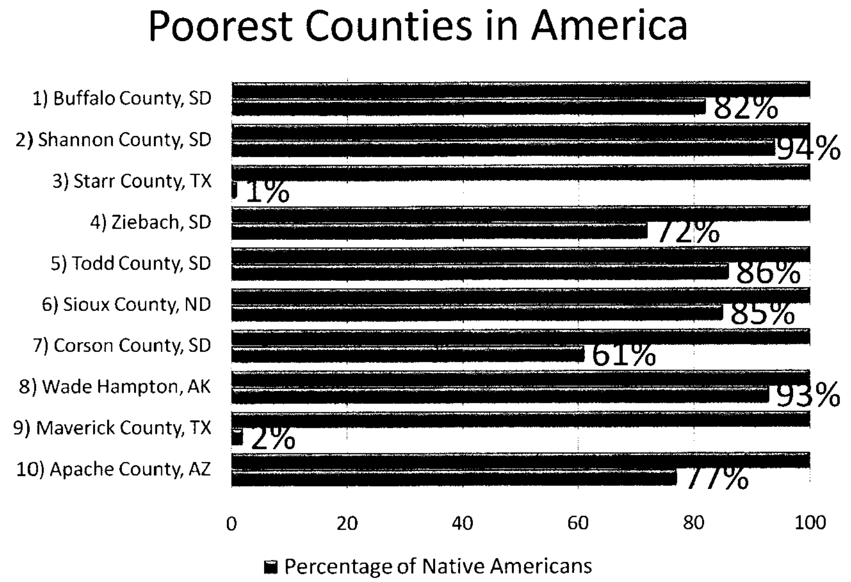
It is the case that there will be no earmarks on this legislation. This will be legislation, when it is completed, and the size of it has not yet been finally determined, it is legislation that when completed that will provide funding for what are to be job-creating opportunities and investments. And that funding in most cases will be sent to a Federal agency to be determined with respect to the investment around the Country.

For example, roads and bridges, my expectation is that funding will go to the State governments, and the State governments under some formula have already projects on the shelf that are engineered and ready to be completed. The contracts have not been awarded because the funding does not exist. But when such funding is made available, those contracts will be awarded, people will be hired and the projects will be pursued: roads, bridges, water projects, and the list goes on.

Nowhere in this Country is the need for infrastructure greater than on Indian reservations. The unemployment on those Indian reservations is very, very substantial. I have a chart, I believe, somewhere that shows the unemployment rate of 49 percent. We have very substantial unemployment in the tribes in the Great Plains region, which is the region that I am from. Forty-nine percent unemployment nationally on Indian reservations. We also have a chart that shows the majority of residents that are living in eight of the ten poorest counties in this country. The majority of those residents are Indian Country, Indian reservations.

[The information referred to follows:]





I don't need to continue to make the case about unemployment and poverty. But the second case that attaches to all this as you determine where the desperate need for investment in roads is, it is in Indian reservations. Roads are in desperate disrepair on those Indian reservations.

Where are some of the poorest maintained schools in the Nation? On Indian reservations. Where are some of the poorest health facilities in this Nation, the poorest maintained health facilities and the most desperate need for new health facilities? On Indian reservations. Detention facilities, where is the greatest need? On Indian reservations.

So my point is, to call this hearing not to believe there will be earmarked funding for any projects in this economic recovery package. It is, however, to say that whatever mechanism exists to get projects started, to create jobs and make investments in areas where those investments are desperately needed, Indian nations, tribal governments ought to be a portion of that consideration, given the economic circumstances on those reservations, and given the need for the investment and given the special need for those jobs.

So that is the purpose of this hearing. I very much appreciate the witnesses who have agreed to be with us. Dr. Robert Middleton, the Director of Indian Energy and Economic Development is with us. Dr. Middleton, we appreciate your being here. You are accompanied by Mr. Jack Rever, the Director of Facilities Management and Improvement.

We will hear from Ms. Jackie Johnson-Pata, the Executive Director of the National Congress of American Indians; Ms. Robin Butterfield, who is the Vice President of the National Indian Education Association; Mr. Reno Franklin, Chairman of the National

Indian Health Board; and Ms. Julie Kitka, President of the Alaska Federation of Natives in Anchorage, Alaska.

We appreciate very much your testimony today. I will call on you in a moment, but I want to call on the Vice Chairman of the Committee, Senator Murkowski.

STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

Senator MURKOWSKI. Thank you, Mr. Chairman. I appreciate your scheduling this very important hearing. I also want to commend you. I have been your Vice Chairman now for this past Congress, and I am going to leave this role as Vice Chairman, still be on the Committee, but won't be sitting to your immediate right here, as I take over as Ranking on Energy.

But your passion on the issue as they relate to our First People, American Indians, Alaska Natives, Native Hawaiians, is clear in so many different areas. The recognition that we have failed to do right, whether it is in health care, whether it is in law enforcement, whether it is in education or housing, and your commitment to work to make a difference in their lives.

While I won't be your Vice Chairman for this next Congress, I do pledge to you that I will continue to work with you in every way that I can to help make a difference to those who we have such an obligation to, and recognizing that we still have so far to go. So I wanted to put that in the record, first and foremost.

We recognize that our economy, our Nation's economy is in a very difficult spot at this point in time. And around the Country, we are seeing job layoffs, we are seeing unemployment, we are seeing families really hit by the consequences to our economy. But what many people don't realize is that what our Country has been seeing for this past year is really nothing compared to many of the economic conditions and situations that have been prevailing in so many of our Native communities for over a hundred years.

Mr. Chairman, on your chart there you indicate the poorest counties, poorest districts throughout the Country, and the Wade Hampton Census District, which is in the Yukon Kuskokwim area, shows on your chart there as being the poorest in the Nation. And it is certainly the poorest in the State of Alaska.

One of the villages in the Wade Hampton area is a village called Emmonak. And Emmonak has about 800 people. Today, in Emmonak, there is a food crisis going on due to a very unfortunate chain of events that I think demonstrates just how vulnerable our Indian communities are. I will take just a moment here to detail what is happening in Emmonak right now. This is a village that is a subsistence village. They rely primarily on fishing. Fishing was bad last summer.

The village is powered by diesel, and they get two barges, one in the spring, one in the fall. Well, the fuel barge couldn't get in this fall. So Emmonak bought its winter fuel at the very, very record prices that we were seeing this summer. And then when the barge wasn't able to get in because of early onset of winter, this community had to receive their fuel flown in to their community, 500 gallons at a time. So the cost to heat a home in Emmonak right now is absolutely astronomical.

Right now heating fuel is costing $7.83 a gallon. So you have a situation where you have a fuel crisis, you are trying to pay for your fuel, and they have paid for it because they need it, it is cold right now, very cold. But they have no money to purchase food. So the decision is made, do I heat my home or do I feed my family. That is the choice that they are facing.

Mr. Chairman, I would ask unanimous consent that a letter to the editor of the Bristol Bay Times that was written by Nicholas Tucker, Sr., of Emmonak, describing Emmonak's predicament in some detail be placed in the record.

The CHAIRMAN. Without objection.*

Senator MURKOWSKI. We recognize that here in Congress we have made some steps. Last year we doubled, nearly doubled the LIHEAP funding. We added substantial funding to the weatherization program. But there is still such a tremendous gap between assistance that is available and the needs.

In Alaska, a State as blessed as we are in resources, as much money as we have in our permanent fund, our emergency relief plan in the State of Alaska, when it comes to heating assistance, essentially is coming from Hugo Chavez and Citgo. Many of the villages received a donation of subsidized fuel over the past couple of years. This year there was some uncertainty whether it was going to happen, it was on again, it was off again. We understand now that it is on.

Some villages turn those donations down out of principle. For others, it was a matter of necessity. They gratefully accepted it.

But it really is very, very tragic that Alaska Native villages have to depend on Venezuela for their safety net. We owe a trust responsibility to these people.

And I use the village of Emmonak to demonstrate the situation there. But we know that in many communities, the needs are so great. You have mentioned also in your chart, Mr. Chairman, the national unemployment. We are at about 7.2 percent. In many of the Native communities, we are at about 15 percent. In some of the reservation communities, we are looking at 80 percent.

I am truly hopeful that we can once again act in a bipartisan manner and work to include funding to address the urgent needs of Indian Country in this proposed stimulus package. We need to do better. We need to provide the stimulus, and I look forward to working with you on this.

The CHAIRMAN. Senator Murkowski, thank you. And let me thank you for your work as Vice Chair. You have done a great job, and you also have great passion for these issues and I think have made a real difference. It has been a pleasure to work with you.

I assume you are going to remain on this Committee?

Senator MURKOWSKI. I am on the Committee. You can't get rid of me that easy.

The CHAIRMAN. All right.

Senator Tester.

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*The information referred to is printed on page 41.

STATEMENT OF HON. JON TESTER, U.S. SENATOR FROM MONTANA

Senator TESTER. Thank you, Mr. Chairman. I want to echo your comments to Vice Chair Murkowski. I really very much appreciate your leadership on this Committee and your hard work to do what is right for Native Americans across this Country and Alaska. I just really appreciate it, I am glad to hear you are going to stay on the Committee. But we will miss you as Vice Chair, I promise you that.

Mr. Chairman, I want to thank you for holding this hearing, too. It is good to be back here in this 111th Congress, dealing with issues that are critically important in Indian Country. I can tell you that unless you have lived it, you don't fully understand it. Senator Murkowski talked about 7 percent unemployment around the Country, 50 to 80 percent unemployment in Indian Country. We have talked on this Committee several times, many times about education deficiencies, health care deficiencies, law enforcement deficiencies, deficiencies in infrastructure like housing and water. We have a lot of work to do in Indian Country to help turn their economy around and give hope for the future and create jobs and reduce that unemployment rate and really move them forward.

I appreciate your leadership, Mr. Chairman, in bringing forth the issues that are important in Indian Country. You have done that over the last two years, and you continue to do that. I look forward to hearing from the panelists on their perspectives on how we move forth this economy, these very, very stagnant economies in our Indian nations. Hopefully we will get some good ideas here today and be able to move it forward to some good, solid policy in the future.

The CHAIRMAN. Senator Tester, thank you.

Senator Barrasso, do you have a comment?

STATEMENT OF HON. JOHN BARRASSO, U.S. SENATOR FROM WYOMING

Senator BARRASSO. I do, thank you, Mr. Chairman. I am looking forward to working with you in the years ahead and continue with your terrific leadership and also continuing to serve with Senator Murkowski, once we get committee appointments made.

I would like to say that as we discuss proposals for the stimulus package, we do have a serious responsibility before us. We must provide the utmost service to the American people at the most efficient, effective cost. It is important to remember that all too often, Government programs create winners and losers, and that there are never enough funds to build every road or every building that is needed in communities all across America.

So as we look at the stimulus package, if we are going to spend billions of taxpayer dollars, we need to be absolutely sure that we are targeting the money where the money can do the most good. It is imperative, Mr. Chairman, that the stimulus create an even platform upon which everyone can compete and the rules need to be clear and efficient. Every request should be evaluated by need and readiness to meet our goals. Government should not create winners and losers. We should develop a fair system and let the best project win.

And with that introduction, Mr. Chairman, I would say that the Eastern Shoshone and Northern Arapaho Tribes in Wyoming should compete on an even playing field, as all other communities. We have a great need in Wyoming for health care facilities, for irrigation improvements and other necessary projects. If our projects are truly necessary and ready to implement, then they should compete well for Government funding.

But under the current proposal, the needs for water development on the Wind River Reservation would be shortchanged. This is not for a lack of need, but based on a policy decision in the current proposal. Funds have been directed for tribes with Congressionally ratified water settlements. This ignores those tribes who have settled their water rights in court; not been Congressionally ratified. The Wind River Reservation irrigation system truly is a historical relic. We had to complete and archaeological study last year before we could even begin planning improvements. The Government has not met its responsibility to develop this system and the people of the Wind River Reservation should not be further shortchanged based on a political whim here in Washington.

There is a need, the projects are ready to implement, and we should be able to compete for funding along with everyone else. I know, Mr. Chairman, under your leadership, we can work to make sure that that is rectified, so that there are opportunities for all folks to compete for the funds. So thank you, Mr. Chairman, thanks for your leadership.

The CHAIRMAN. Senator Barrasso, thank you very much.

I might note that we are joined by Senator Udall, who although not yet a formal member of this Committee will be, I believe, very shortly, perhaps today. I invited him to join us, we appreciate your being here. He has a great passion also for these issues, coming from the State of New Mexico.

Let us turn to the witnesses. Dr. Middleton is the Director of the Office of Indian Energy and Economy Development. We will ask all of the witnesses to summarize. Your entire full statements will be made part of the permanent record.

Dr. Middleton, welcome. You may proceed.

STATEMENT OF DR. ROBERT MIDDLETON, DIRECTOR, OFFICE OF INDIAN ENERGY AND ECONOMIC DEVELOPMENT, U.S. DEPARTMENT OF THE INTERIOR; ACCOMPANIED BY JACK REVER, DIRECTOR, FACILITIES MANAGEMENT AND IMPROVEMENT

Dr. MIDDLETON. Good afternoon, Mr. Chairman, Madam Vice Chairwoman, members of the Committee and Senator Udall.

It is a pleasure to be here today to speak about job creation and infrastructure development on Indian lands. I am accompanied by Mr. Jack Rever, the Director of Facilities, Environmental and Cultural Resources for the Bureau of Indian Affairs. He will have some remarks on the programs under his purview after I finish.

Programs such as school construction, road maintenance and energy and economic development strive to maximize the economic benefit of infrastructure development. These programs have established priorities and the standards that allow us to effectively allocate our resources and provide Indian Country with the opportunity to develop the infrastructure necessary for job creation and economic development.

Ultimately, viable economies, stable economies, will help tribal leaders achieve the goal of self-determination and self-governance. I would like to highlight a few of these programs that are in my testimony.

The Indian Loan Guaranty, Insurance and Interest Subsidy Program was established by the Indian Finance Act in 1974. It has been a very effective program to move capital investment into Indian Country. Indian businesses obtain loans from private lenders who would otherwise be unwilling to make such loans because of risk differential. The loan guaranty program leverages appropriated dollars at about 13 to 1. So for every million dollars of appropriation that is made available to my office, we are able to put $13 million of loans on the street for small Indian businesses.

Since its establishment, the program has guaranteed 835 loans, totaling about $915 million. These loans support small business which are integral to job creation.

The Energy and Minerals Program assists tribes by providing expert advice and economic analyses, negotiating energy agreements and strategic planning with regard to energy and minerals project development on Indian land. However, one part of the Energy and Minerals Program I would like to highlight is the construction aggregate, sand and gravel opportunities out there.

With infrastructure development taking the forefront in the united States, every bridge that is out there, every roadway that is laid down, every building that is built, requires sand and gravel. Sand and gravel in the United States is about a $26 billion a year industry. There are many tribes that have the opportunity to take advantage of sand and gravel and other construction aggregate on reservations, to help participate in the infrastructure development that may take place, whether it be on-reservation or off-reservation. We have identified and worked with a number of reservations on various parts of the Country that are primed to take advantage of economic development opportunities through infrastructure development. Renewable energy programs are also very valuable to Indian tribes. We have identified about 77 reservations that possess commercial scale wind resources and the ability to support viable wind-based economies. We look at factors such as the amount of contiguous land that is available to the reservation, how close they are to transmission lines, what the wind scale is in the area, and where the population load or the demand load would be. Based upon this, we are working to partner with tribes to develop commercial scale opportunities working with wind developers and the tribes themselves.

The job placement and training program is a very important program for our office. Enhancing America's infrastructure will require the skills of thousands of working men and women. We want to make sure Indian Country has the skills and opportunity to participate. My office has started partnerships with a number of trade unions, as well as the Council on Tribal Employment Rights, to provide life skills to unemployed and under-employed tribal members.

For example, the Bureau of Labor Statistics projects that America will need about 450,000 welders over the next five years. We have started a partnership with the Plumbers and Pipefitters Union to provide training to tribal members who are currently on general assistance. We just recently graduated a class from Chicago. One of the members of that class was immediately offered a job starting at $27 an hour. Tomorrow, I will be in Phoenix to graduate a class from Phoenix that is made primarily up, or solely up of people from the Navajo Reservation. We anticipate that there will be 100 percent placement of all the graduates and they will be offered starting salaries of between $16 and $20 an hour.

Indian land consolidation is also one of our greatest challenges that faces us. Fractionation of Indian land, because of their trust status, occurs because they are primarily transferred through inheritance. With each successive generation, individual interest in the lands becomes further divided. This creates a situation where fairly large parcels of the land become uneconomic because there is not a consolidated control over its use. However, Indian Affairs remains committed to focusing on the critical issue of fractionation and is currently exploring various options to decrease the effects of fractionation and to the economic benefits from trust land.

Through all these programs, we have pieces in place to efficiently deliver jobs and economic development throughout Indian Country. We look forward to working with this Committee to enhance the quality of life for Indian communities and provide opportunities for enhanced self-determination. I thank you for the opportunity to contribute to this hearing.

Mr. REVER. Mr. Chairman and Madam Vice Chair, I would like to turn attention to the public safety and justice construction program, irrigation, dams, safety of dams program, road maintenance programs and new school construction for just a moment. Indian Affairs, in consultation with the tribes, has developed a replacement school construction priority list. That list ranks schools based on criteria used to calculate the facility's condition index and in the development of the list, an independent contractor conducted reviews to evaluate health and safety deficiencies, environmental deficiencies, and accessability for people with disabilities and the condition of existing utilities and site improvements.

The schools were then ranked in order of need, based on the original priority list. Indian Affairs originally published in 2004 a list of 14 schools on that priority list. As of today, we have worked out way through the top seven of those priorities and are now looking forward to the opportunity to complete that priority list of construction projects. And we have in place the mechanisms necessary to do that in a very rapid fashion.

In 2005, Indian Affairs revised the space guidelines and the criteria for construction and published the first architectural engineering standards for design and construction that put in place common design elements for classrooms, cafeterias, gymnasiums, heating and cooling systems and other facility needs, thus standardizing the design for our school program. That resulted in a complete acceleration of our school construction program, to the extent that we have reduced our carry-over backlog in construction from three years ago of about $380 million to down to about $57 million in each successive year.

Beginning in 2006, we adopted new procedures and methods for school construction programming as well as constructing contracting. We started to plan and design projects two years prior to the request for funding, and with the goal of beginning construction on major projects in the year of appropriation. That strategy has multiplied our benefits ten-fold. We are completing projects early in the planning and design phase and are ready to begin when the funds are appropriated. The projects that start on time bring huge benefits to the students themselves who have a crying need for these new facilities. These new procedures have already increased the annual obligation rate, again as I mentioned before, to 87 percent rather than 44 percent in prior years.

In the public safety and justice construction program, we are making great progress in our effort to assess the detention center needs in Indian Country and develop a plan of action. Indian Affairs is using the lessons learned through the development of our successful school construction program to develop priority lists to address justice systems facility requirements throughout Indian Country.

We continue our commitment to consult with tribes and coordinate with the Department of Justice to ensure that the future construction program for law enforcement, courts and incarceration are well coordinated. In addition, Indian Affairs has recently been assessing the justice program across Indian Country that goes beyond just construction. The goal is to create a priority list of needs to include all facets of justice intervention.

The irrigation and safety of dams program provides economic opportunities and public safety through sound management of irrigation, dam and power facilities owned by Indian Affairs. In the Indian irrigation program alone, there are 100 individual projects and systems on Indian lands. Indian Affairs irrigation projects provides water vital to agricultural production in the west and continued ability to provide irrigation water to over 780,000 acres of farm land. These projects are an integral part of the local and regional economies. Irrigation lands served by the 16 BIA irrigation projects produce in excess of $300 million in gross crop revenues each year. Beginning several of the large Indian irrigation projects have developed into multi-million dollar economies. Indian Affairs delivers irrigation water through hundreds of miles of canals and through more than 100,000 aging irrigation structures themselves.

Turning our attention now to the safety of dams. This is a life safety program that corrects identified safety deficiencies in dams, rehabilitates and maintains each significantly hazardous dam to lower its risk of failure and monitors each dam for signs of safety deficiencies. Indian Affairs is responsible for 131 dams. Yet 70 are classified as being in poor condition. Indian Affairs uses a technical priority rating system to determine the priority of correction.

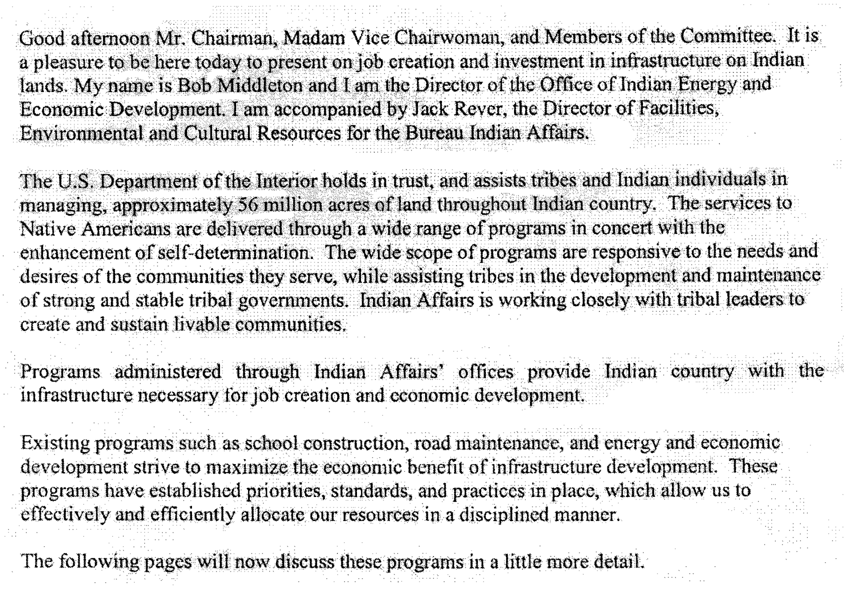
Now turning to road maintenance. The road maintenance program is a source of funds for maintenance of BIA roads and bridges constructed through the Highway Trust Fund resources. Under that program, it consists of approximately 29,000 miles of roads and 940 bridges on Indian reservations in communities and villages throughout the Nation. Adequate maintenance is a fundamental yet critical requirement of safe accessibility to health and education facilities, tourism, employment, recreation and economic development opportunities.

With that, Mr. Chairman, I have one other comment, and that has to do with the road maintenance program, which I addressed before. With the 29,000 miles of roads and 940 bridges, there is a tremendous need for continuing daily maintenance of those roads to permit this economic development.

With that, sir, we thank you for the opportunity to make our comments. We are prepared to answer any questions you have.

[The prepared statement of Dr. Middleton and Mr. Rever follows:]

PREPARED STATEMENT OF DR. ROBERT MIDDLETON, DIRECTOR, OFFICE OF INDIAN ENERGY AND ECONOMIC DEVELOPMENT, U.S. DEPARTMENT OF THE INTERIOR; AND JACK REVER, DIRECTOR, FACILITIES MANAGEMENT AND IMPROVEMENT



Good afternoon Mr. Chairman, Madam Vice Chairwoman, and Members of the Committee. It is a pleasure to be here today to present on job creation and investment in infrastructure on Indian lands. My name is Bob Middleton and I am the Director of the Office of Indian Energy and Economic Development. I am accompanied by Jack Rever, the Director of Facilities, Environmental and Cultural Resources for the Bureau Indian Affairs.

The U.S. Department of the Interior holds in trust, and assists tribes and Indian individuals in managing, approximately 56 million acres of land throughout Indian country. The services to Native Americans are delivered through a wide range of programs in concert with the enhancement of self-determination. The wide scope of programs are responsive to the needs and desires of the communities they serve, while assisting tribes in the development and maintenance of strong and stable tribal governments. Indian Affairs is working closely with tribal leaders to create and sustain livable communities.

Programs administered through Indian Affairs' offices provide Indian country with the infrastructure necessary for job creation and economic development.

Existing programs such as school construction, road maintenance, and energy and economic development strive to maximize the economic benefit of infrastructure development. These programs have established priorities, standards, and practices in place, which allow us to effectively and efficiently allocate our resources in a disciplined manner.

The following pages will now discuss these programs in a little more detail.

Education and Public Safety and Justice Construction

New School Construction

Indian Affairs, in consultation with tribes, has developed a replacement school construction priority list. The priority list ranks schools based on criteria used to calculate the facilities condition index. In development of the list an independent contractor conducted site reviews to evaluate: 1) health and safety deficiencies, 2) environmental deficiencies, 3) accessibility for people with disabilities, and 4) condition of existing utilities and site improvements. The schools were then ranked in order of need based on identified criteria. Of the 14 schools identified, there are seven schools remaining on the original priority list. Indian Affairs has established the mechanisms necessary to construct these schools.

In 2005, the BIA revised the Space Guidelines and published the first architectural and engineering standards for design and construction that established common design elements for classrooms, cafeterias, gymnasiums, heating and cooling systems, and other operating systems. The use of standard design has reduced delays in school construction.

Beginning in 2006, Indian Affairs adopted new procedures and methods of school construction programming. Indian Affairs started to plan and design projects in the two years prior to requesting funds for construction with the goal of beginning construction on major projects in the year of appropriation. This strategy has multiple benefits. Projects that have completed planning and design are ready to begin when funds are appropriated, and projects that start on time minimize the impacts of inflation. The new procedures have already increased the annual obligation rate from 44 percent to 87 percent, thereby significantly reducing carryover.

Public Safety and Justice Construction

Indian Affairs is making progress under its effort to assess the detention center needs in Indian country and develop a plan of action. Indian Affairs is using the lessons it learned during the development of the school construction priority list to address justice system facility requirements throughout Indian country. Indian Affairs continues its commitment to consult with tribes and coordinate with the Department of Justice to ensure the future construction or renovation of justice system facilities meets the needs of the tribes for an efficient and effective law enforcement, court, and incarceration program. In addition, Indian Affairs has recently been assessing the Justice Program across Indian Country. The goal is to create a priority list of needs to include all facets of the Justice Program.

Office of Indian Energy and Economic Development

Indian Loan Guaranty, Insurance and Interest Subsidy Program

The Indian Loan Guaranty, Insurance and Interest Subsidy Program[1] provides federal guaranties and insurance for loans to Indian-owned businesses. The purpose of the program is to help Indian businesses obtain loans from private lenders who would otherwise be unwilling to make such loans on commercially responsible terms. The loan guaranty program leverages appropriated dollars at about 13 to 1. Since its establishment this program has worked with 236 banks, and has guaranteed 835 loans totaling $915 million. These loans support small businesses, which are integral to job creation. This program is the one of the main resources used by tribes and Indian-owned businesses to secure lender financing.

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[1] 25 U.S.C. §1481 et seq.

Energy and Mineral Development Program

The Energy and Mineral Development program assists Indian tribes by providing expert advice in economic analysis, negotiations, and strategic planning with regard to energy and mineral project development.

Within this program aggregate development, such as sand and gravel, provides a great opportunity for economic development. In 2006, aggregate production on Indian lands yielded an estimated royalty value of $42 million. The Phoenix Metropolitan Area is now buying nearlv half of its yearly annual consumption of construction aggregates from Indian tribes. The Los Angeles Metropolitan Area will soon be increasing rail shipments of sand and gravel from desert reservations to supplement what it now receives by barge from Pacific Northwest Indian sources.

Aggregate development spurs employment for tribal members, not just in mining, but in trucking and contracting. These jobs are created for Indians on some of the poorest reservations in the country using job training funds. Within this program, Indian Affairs trains tribal members on how to buy and lease equipment, operate the equipment in the intermittent mining and processing of aggregate materials, transport aggregate products to construction or highway sites, and coordinate with prime contractors in the final construction phase.

Renewable Energy Program

Many Indian reservations have renewable energy resources that could potentially be developed. Indian Affairs is taking a proactive approach in order to assist tribes in developing renewable energy projects. To that end Indian Affairs has identified 77 reservations that possess commercial scale wind resources and the ability to support viable wind-based economies.[2] Through this program, participating tribes are partnered with commercial scale developers and investors.

Job Placement and Training Program

Enhancing America's infrastructure will require the skills of thousands of working men and women. Over the next five years, America will need 450,000 welders, according to the Bureau of Labor Statistics. In September 2008, Indian Affairs and the United Association of Plumbers and Pipefitters entered into a partnership agreement to initiate a pilot project to train tribal members to become certified welders, plumbers and pipefitters and be removed from welfare rolls. The project is a demonstrated success. Indian Affairs is working to expand this pilot project into the other 13 building trades. Chicago's Local 597 and Phoenix's Local 469 provide hybrid welding training for Indian apprentices. The payoff has been enormous. Graduates of these programs are rated as two-year apprentices. They have a 100 percent job placement rate, earning between $16 and $20 per hour to start. One of the recent graduates of the training in Chicago obtained a job that will pay him $27 per hour.

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[2] *Wind Atlas forIndian Reservations*, Office of Indian Energy and Economic Development, U.S. Department of the Interior, forthcoming in 2009.

Indian Affairs has been collaborating with the National Iron Workers Training Program since 1972 to conduct training in four, 12-week long sessions, graduating about 100 Native Americans annually who are qualified for skilled employment. To date, this program has trained, graduated and placed 2,084 individuals in well-paying jobs that currently are building or rebuilding our Nation's infrastructure. As with the plumbers and pipefitters program, placement is 100 percent.

Trade unions indicate that they have a need for 400,000 to 500,000 additional workers over the next few years. Indian Affairs estimates that, at current staffing levels, it can train and place an additional 450 American Indians and Alaska Natives per year for the next four years to fill these jobs in the skilled trades. Indian Affairs data indicates that it costs $5,000 per participant to provide the job skills necessary to move an individual from general assistance to a well-paying job.

Irrigation And Safety Of Dams Project

The Irrigation, Power and Safety and Dams Program promotes economic opportunities and public safety through the sound management of irrigation, dam, and power facilities owned by the BIA.

Irrigation Program

There are over 100 Indian irrigation projects and systems on Indian lands. The BIA irrigation projects provide water vital to agricultural production in the West and their continued ability to provide irrigation water to over 780,000 acres. These projects are an integral part of the local and regional economies. Irrigated lands served by the 16 BIA irrigation projects produce in excess of $300 million in gross crop revenues annually. Several of the large Indian Irrigation projects have developed into multi-million dollar economies benefiting both Indians and non-Indians. BIA delivers irrigation water through hundreds of miles of canals and through more than 100,000 aging irrigation structures.

Safety of Dams

The Safety of Dams program is a life safety program that corrects identified safety deficiencies in dams, rehabilitates/maintains each high and significant hazard dam to lower the risk of failure, and monitors each dam for signs of dam safety deficiencies. Indian Affairs is responsible for

131 dams, of which 70 are in poor condition. Indian Affairs utilizes a technical priority rating system to specifically determine how resources are allocated.

Road Maintenance Program

The Road Maintenance program is a source of funds for maintenance of BIA roads and bridges constructed with Highway Trust Fund resources under the Indian Reservation Roads program. The BIA road system consists of approximately 29,000 miles of roads and 940 bridges on Indian Reservations, communities, and villages throughout the Nation. Adequate maintenance is a fundamental, yet crucial requirement of safe accessibility to health and education facilities, tourism, employment, recreation, and economic development opportunities.

Indian Land Consolidation

One of the greatest challenges facing successful trust management is the fractionation, or continuing subdivision, of individual Indian interests in the land that the Federal government holds in trust. Because individual Indian trust lands are subject to a restriction against alienation while held in trust, they are primarily transferred through inheritance. With each successive generation, individual interests in the land become further divided and subdivided among heirs, each of whom holds a smaller and smaller interest in the land. The ownership of many disparate, uneconomic, and small interests benefits no one in Indian country and creates an administrative burden that drains resources away from other Indian programs. The Indian Land Consolidation program acquires small ownership interests in allotted land from willing sellers.

Although no funding was requested in 2009, Indian Affairs remains committed to focusing on the critical issue of fractionation, and is currently exploring other options for Indian land consolidation. Indian Affairs is working with tribal representatives to explore viable options and develop a strategy that will be beneficial to both individual Indian land owners and tribes. Also, many tribes are purchasing interests directly from individual Indian landowners which will help ease fractionation.

Through all of these programs we have the pieces in place to efficiently deliver jobs and economic development throughout Indian county. We look forward to working with this Committee to enhance the quality of life for Indian communities and provide opportunities for enhanced self-determination.

This concludes our statement. We will be happy to answer any questions the Committee may have.

Thank you.

The CHAIRMAN. Mr. Rever, thank you very much.

Next we will hear from Ms. Jackie Johnson-Pata, who is the Executive Director of the National Congress of American Indians.

STATEMENT OF JACKIE JOHNSON-PATA, EXECUTIVE DIRECTOR, NATIONAL CONGRESS OF AMERICAN INDIANS

Ms. JOHNSON-PATA. Thank you very much, Mr. Chairman. I appreciate the opportunity to be able to be here today, and Madam Vice Chairman, I also want to thank you for your leadership that you have provided. Senator Tester and our newest Senator Udall, again, glad to see you move over from the House.

But really I wanted to thank you, the Committee and your staff, for the work you have done and the leadership you provided to be able to help get the leadership of both houses to put forward the request to President-elect Obama, as well as helping us put together a strong package for Indian Country.

I don't need to tell you, as you all know, that Indian Country lags behind the rest of the Nation in every aspect of reservation life and tribal governance. It is critical that tribes are included into the American economic recovery and investment plan, for three very compelling reasons.

The first one is, as we all know and we spoke about today, is the lack of basic infrastructure investment is the single greatest impediment to economic development in Indian Country. Reservations are mired in poverty and under developed. And they offer unique opportunities for rapid economic growth, once the basic infrastructure is in place. Thereby, investing in tribal governments, America will ensure that the populations that have persistently lived in the poorest economic conditions as demonstrated by your charts have the same path to success as the rest of America.

And secondly, tribal governments lack a tax base and rely on revenue from economic development to provide the core services to their citizens. This reliance makes tribal governments much more vulnerable than other governments during economic downturns. And finally, it has been proven that investments in Indian Country is an investment that produces good returns for America, especially rural America.

This downturn is having a dramatic effect on tribal governments who already occupy the bottom end of the socioeconomic scale, and promising energy deals have slipped away, tribes from communities such as mine where timber is now close to closing down for good. And even high profile gaming tribes around the Country are laying off thousands of workers. The real per capita income of Indians living on the reservations is still less than half of the national average. Unemployment is double what it is in the rest of the Country. And as shown, eight out of the ten poorest counties in the United States are home to Indian reservations.

Despite these challenging conditions, there are examples of economic success resulting from investments in tribal infrastructure. Mississippi Choctaw is a good example. Early in the 1980s, prior to the 1980s, they had a housing condition that was highly substandard. Ninety percent had no indoor plumbing, and one-third had no electricity. But in the 1980s, the tribe decided to turn around those conditions. And they did so by building an infrastructure needed to draw industrial jobs onto the reservations. After completing the industrial park, the Tribe convinced a division of GM and American Greetings Company to locate on the remote reservation. And soon after, the Tribe diversified. And today, it is Mississippi's second largest employer, with over 8,000 employees. After generations of living in the worst economic conditions, the Tribe became the regional economic leader of the South.

Mississippi Choctaw is not an isolated example. Tribal governments, when given the right tools, can lift their populations out of poverty. NCAI worked with the organizations sitting here and many others that aren't at the table with us here today to put together an economic recovery plan that includes projects that are shovel ready, that have funding mechanisms already in place, to ensure the accountability that is necessary that has direct funding to tribes that will create tens of thousands of jobs, local jobs, and allow tribes and surrounding communities to effectively compete locally, regionally and globally regardless of location.

Our tribal governments request $6 billion. While modest in comparison to other governments and their requests, it is needed to make a real and lasting impact in tribal communities. Infrastructure spending should be the target. We have highlighted building 21st century green schools for our kids, creating energy-efficient homes and tribal government buildings, building and repairing our roads and bridges, creating healthy and safe communities by investing in clean and wastewater facilities, telecommunications, public safety buildings and health facilities, using our vast natural resources and work force to move toward energy independence.

NCAI's recovery plan also includes a component that provides needed tools to help leverage Federal funds and sustain economic gains. So it is not just about infrastructure, it is also about how do we sustain it after. We have included some clarification of the use of low-cost tax-exempt financing for tribes, clearing the way for tribes to invest in one another, such as a fix through the SEC, making tribes an attractive alternative energy partner by getting access to the existing tax credits and expanding the use of guaranteed loans to allow tribes, businesses and individuals to fully participate in the infrastructure build-out.

We see this as a once in a lifetime opportunity to build tribal governments, to repair infrastructure, create jobs, generate energy. And we are looking forward to working with you to ensure that we are included in the Energy Recovery Act.

In closing, I would also like to state that there was other testimony submitted by other tribes in writing, and they have asked, including Tlingit and Central Council Tribes of Alaska, to have their testimony included in the record.

Thank you very much.

[The prepared statement of Ms. Johnson-Pata follows:]

PREPARED STATEMENT OF JACKIE JOHNSON-PATA, EXECUTIVE DIRECTOR, NATIONAL CONGRESS OF AMERICAN INDIANS

The National Congress of American Indians (NCAI) is the inter-governmental body for American Indian and Alaska Native tribal governments. For over sixty-years tribal governments have come together as a representative congress through NCAI to deliberate issues of critical importance to tribal governments.

Economic development in Indian Country lags behind the rest of the nation and impacts nearly every aspect of reservation life and tribal governance. It is critical that tribes are included in the American Economic Recovery and Reinvestment Plan for three very compelling reasons.

First, the lack of basic infrastructure investment is the single greatest impediment to economic development in Indian country. Reservations offer unique opportunities for rapid economic growth once the basic infrastructure is in place. By investing in tribal governments, America will be meeting its moral obligation to ensure those populations that have persistently lived in the poorest economic conditions have the opportunity to go down the same path to success as the rest of America. And second, tribal governments rely on revenue from economic development to provide core services to their citizens in lieu of a sustainable tax base. This reliance makes tribal governments much more vulnerable than other governments during economic downturns. Finally, it has been proven that an investment in Indian Country is an investment in America.

Tribal Socio-Economic Conditions

Hundreds of tribes suffer economic hardship and remain nearly invisible. They struggle to preserve their reservations, their culture, and their sovereignty. They are now feeling the full effects of the economic downturn. For some tribes, once promising opportunities in energy development are no longer viable, while other tribes have seen tribal industries like timber production—once considered economic staples—closing their doors. Even higher-profile gaming tribes around the country are currently laying off thousands of workers affecting entire regions. The downturn is having a dramatic effect on tribal governments that, as a population, already occupy the bottom end of the socio-economic scale.

Most reservations are characterized by extensive land bases, spread out communities, and homesteads mired in one long-standing poverty cycle. Most Indian tribes experience economic and social conditions that are on par with many developing nations.

Real per-capita income of Indians living on reservations is still less than half of the national average. Unemployment is still double what it is for the rest of the country.[1] A full 8 of the 10 poorest counties in the United States are home to Indian reservations. Although Indian specific data is not available to analyze the precise impact of the recession on Indian country, signs point to the recession hitting low-income Americans hardest. Between September 2006 and October 2008, the unemployment rate for workers age 25 and over who lack a high school diploma, a very low income group, increased by 39 percent.[2] In 2007, 20 percent of American Indians aged 25 and over lacked a high school diploma, compared to 14 percent for the U.S. population.[3]

Many tribal governments lack the ability to provide the basic infrastructure most U.S. citizens take for granted, such as passable roadways, affordable housing, plumbing, electricity and telephone service. It is difficult to believe that in America, where 97.5 percent of households have a phone, there are reservations are unable to provide basic telephone service to 70 percent of their citizens. In addition, there is a tribal average of 3 in 10 households without basic means of communication.

These substandard economic and quality of life indicators have a social toll as well. Health disparities are prevalent and suicide rates (a symptom of lack of opportunity) are high with over 60 percent more incidents than the average in America. Alcoholism on reservations and diseases like Tuberculosis are both over 500 percent higher among Indians.

Despite the challenging social and economic conditions on reservations, there are examples of economic success that have resulted from tribal investments in infrastructure and use of available federal tools to grow their local economies and provide their citizens with a better quality of life—the goal of every government.

For example, in the 1960's, rural Neshoba County in Mississippi was once one of the country's most economically-depressed areas. Neshoba County is home to the Mississippi Band of Choctaw Indians who lived under miserable economic and health conditions. Nearly all houses on the reservation were considered substandard: 90 percent had no indoor plumbing; one-third had no electricity.[4]

In the 1980's the Tribe worked hard to turn conditions around by building the infrastructure necessary to draw industrial jobs to the reservation. After completing an industrial park, the tribe convinced a division of General Motors and the American Greetings company to locate on the remote reservation. Soon after, the tribe diversified its economy by creating service sector enterprises. Today, the tribe is the state of Mississippi's second largest employer with over 8,000 employees on its payrolls.[5] After generations of living in the worst economic conditions, the tribe has become a regional economic leader in the south.

Mississippi Choctaw is not an isolated example. Tribal governments, when given the right tools, can effectively lift their populations out of poverty and fully participate in the American economy. Not only can tribes raise their economic profile, but they have proven time and again that investing in tribes is an investment in rural America. Surrounding communities, and sometimes entire regions, are also beneficiaries of tribal success.

NCAI has developed a Tribal Government Economic Recovery Plan that provides targeted infrastructure spending for projects that are proven shovel-ready and already have funding mechanisms in place to ensure accountability. The unmet infrastructure need or backlog throughout Indian Country is substantial. Targeted spending to meet this need promises to have a dramatic effect on tribal economies as well as the economies of the surrounding communities.

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[1] Overview of Federal Tax Provisions Relating To Native American Tribes and Their Members, Scheduled for a Public Hearing Before the Senate Committee on Finance on July 22, 2008 Prepared by the Staff of the Joint Tax Committee on Taxation, July 18, 2008

[2] Parrott, Sharon. (2008, November 24). *Recession Could Cause Large Increases in Poverty and Push Millions into Deep Poverty.* Washington, DC: Center on Budget and Policy Priorities.

[3] U.S. Department of Commerce, U.S. Census Bureau (2007). *2007 Annual Social and Economic Supplement.* Current Population Survey (CPS).

[4] NPR, All Things Considered, July 17, 2004

[5] Neshoba County Website, Community Development Partnership, Mississippi Band of Choctaw Indians Timeline.

The Tribal Government Economic Recovery Plan targets $6.13 billion in infrastructure spending that will create thousands over 50,000 local jobs and allow tribes to effectively compete in the global economy regardless of their location by building 21st century schools, energy efficient government buildings and the infrastructure needed to develop locally, regionally and globally.

The infrastructure and long-term efficiency requests included in the Tribal Government Recovery Plan met the requirements of being shovel-ready, provided long term effects, created efficiencies for competitiveness and allowed participation in green energy production and jobs. Investments in tribal government infrastructure spending targets:

- Building 21st century schools
- Creating energy efficient homes and tribal government buildings
- Building and repairing our roads and bridges
- Creating healthier and safer communities through investments in clean and waste water facilities, public safety buildings and health facilities through repairs and technology improvements
- Using our vast natural resources and workforce to move toward energy independence
- Improving our access to emergency and broadband networks
- Meeting pent-up housing needs, and
- Making unworkable lands more viable for economic development through a land consolidation program.

The American Economic Recovery and Reinvestment Plan's targeted infrastructure development offers tribal government a proven path to economic success. Funding streams are already in place for tribal governments to fully participate in building needed infrastructure.

Tribal governments simply need to be directly funded under these programs as other governments are to ensure that we are not left out. Inclusion not only meets the Congressional trust responsibility, but offers tribes a solid economic base to pursue self-sufficiency and self determination—for the tribe and for its citizens.

NCAI's Tribal Government Economic Recovery Plan also includes an important component that gives tribal governments and businesses access to the tools needed to sustain economic gains made from targeted federal infrastructure spending.

Tribal Government Revenue—Removing Barriers and Providing Access

The plan calls for removing barriers to the capital needed for tribal governments to effectively grow their economies and to ensure their local citizens have the ability to directly participate in building and repairing our infrastructure. Without access to these tools, tribal governments will be placed on the sidelines while other governments build effective infrastructure and outside companies participate in contracting opportunities that could be completed locally.

Congress, federal agencies and other partners should do everything they can to support and promote tribal economic development. Tribes simply cannot rely on decreasing federal funds or a severely-limited tax base to provide needed government infrastructure and services. Economic revenue becomes a necessity for tribal and individual self-sufficiency and self determination.

Access to Credit Markets

Currently, with the economic downturn, state and local governments are feeling the effects of a frozen credit market. Low cost tax-exempt debt has become a necessity for state and local governments when financing schools, roads, health facilities and economic activities. When the credit markets effectively froze in the fall, state and local governments sought federal intervention including calls for federal guarantees for investor reassurance and the removal of Alternative Minimum Tax for high-net worth investors to make tax exempt debt more attractive.

Tribes, however, have never had full access to the tax-exempt markets and because of the strict interpretation placed on the tribal use of tax-exempt financing, the market for tribal bonds has been effectively frozen for the past decade. Tribal governments need access to the same low-cost debt to build and repair schools, roads and healthcare facilities. Since tribes rely on economic development revenues in lieu of a tax base, tribal governments need access to the low-cost debt market to provide economic development revenue for the tribe. Clarifying tribal government use of tax-exempt bonds would help tribes to stimulate their local economies and provide better services.

Access to Capital Markets

Many tribes, especially large land-based tribes, are centered in rural and remote areas of the country. Creating an economic base and attracting capital is a challenge. Many of these tribes want to utilize their large land bases to develop alternative energy and participate in lessening our dependence on foreign oil.

There are two impediments that currently exist that make investing in tribal energy and other enterprises less attractive. The first is an oversight in the tax code that gives businesses an incentive in the form of a tax credit to invest in alternative energy projects. Tribal government cannot use these tax credits so the current tax code provides a disincentive for tribes to partner in developing alternative energy.

The second impediment is also an oversight. When the Securities and Exchange Commission drafted Regulation D, which determines private equity participation and securities registration, it did not explicitly list tribes as governments. This oversight prevents tribes that are economically successful from investing in other tribes as equity partners.

Tribal leaders often have greater needs than their non-Indian counterparts and, at the same time, tribal governments have fewer resources with which to fulfill their governmental responsibilities. The Economic Recovery and Reinvestment Plan offers an opportunity to correct these oversights and give tribal government access to the tools they need to succeed. This means clarifying the use of tax-exempt debt, allowing tribes to transfer tax credits, and listing tribes as governments for investment purposes. In addition, those programs that are clearly working should be enhanced.

Community Participation

The American Economic Recovery and Reinvestment Act should support utilizing successful programs to meet the increased need for business capital that is sure to follow a large stimulus. The Tribal Government Recovery Plan supports increased funding for an existing Department of Interior guaranteed loan fund not just for business loans but for surety bonding and energy production loans.

Capital to start businesses and surety bonding is difficult to come by for tribally-owned construction companies. It is important that local participation is encouraged to build local capacity and support local economic development.

The Tribal Economic Recovery Plan has been developed with tribal, federal and organization partner input. It is comprehensive and designed with the access to capital and credit requests intended to enhance and leverage the targeted federal infrastructure spending requests. The total amount requested, while modest in comparison to other government requests, is needed to make a real and lasting impact on tribal economies.

Tribal governments are too often an afterthought in the development of significant national policy initiatives. They are either inappropriately shoe-horned into legislation at the eleventh hour, or left out entirely. As a result, Indian tribes are left farther and farther behind.

The American Economic Recovery and Reinvestment Plan presents a once in a lifetime opportunity for the nation, including tribal governments, to repair existing infrastructure, create jobs, and generate energy and income. It would be a travesty for Indian Country—which is persistently burdened with high unemployment and poverty rates, inadequate housing and infrastructure, and economic under-development—to be left out of much of the opportunities created by the Economic Recovery Plan.

The Chairman. Ms. Johnson-Pata, thank you very much.

Next we will from Ms. Robin Butterfield, who is Vice President of the National Indian Education Association.

Ms. Butterfield?

STATEMENT OF ROBIN BUTTERFIELD, VICE PRESIDENT, NATIONAL INDIAN EDUCATION ASSOCIATION

Ms. BUTTERFIELD. Chairman Dorgan, members of the Committee, on behalf of the National Indian Education Association, I would like to take the opportunity to thank you for being able to speak to you.

I am the Vice President of the Association. I am a Ho-Chunk Anishanabe with over 35 years of experience working 10 years as the Director of Indian Education for the State of Oregon and over

4 years working in the BIE. NIEA commends Chairman Dorgan for his tremendous efforts to ensure that Indian Country is included in the stimulus package. NIEA strongly supports Senator Dorgan's request, signed and supported by 14 other Senators, for funding for BIE school construction and maintenance.

Senator Dorgan's request of $334 million for new construction of K–12 school facilities and $150 million for maintenance and repair is similar to NIEA's request submitted to President-elect Obama and to the Senate and House appropriations and authorizing committees. This funding would assist in replacing condemned facilities and repairing dangerous conditions present in many BIE schools, and can be implemented within 24 months, which would create much-needed new jobs.

In our Indian communities, the schools are the center of community activities, and are supposed to provide a safe haven for our children. However, many of the BIE schools pose serious health and safety risks. These risks are due to the Federal Government's failure to honor the Federal trust responsibilities. In May of 2007, the Interior's OIG issued a flash report that describes the conditions at BIE schools and requires immediate action to protect the health and safety of students and faculty. In the report, the IG cites deterioration ranging from minor deficiencies such as leaking roofs to severe deficiencies, such as classroom walls buckling and separating from their foundation. In conclusion, the IG states that the "failure to mitigate these conditions will likely cause injury or death to children and school employees."

In 2008, NIEA conducted a series of field hearings on issues facing BIE schools. Hopi tribal chairman Benjamin Nuvamsa stated "While waiting for funding, our students and staff are subjected to exposure to hazardous materials. Almost all schools have asbestos and radon issues, which puts students and staff at risk."

In North Dakota, the Mandaree Day School has taken out a loan of $3 million to cover the costs of new building, even though the Federal Government has the obligation to provide this funding. This school could wait no longer. The loan only covers the facility structure. The 210 children at this school have no playground, and the teachers do not have a paved parking lot. The BIE is also responsible for the Southwest Indian Polytechnic Institute and it is undergoing annual regular repairs to their facilities.

But these are just a few of the examples of the unmet needs in BIE schools. On the average, BIE schools are 60 years old, while 40 years is the average for public schools. The deferred maintenance backlog is estimated to be over $500 million and increases annually by $56.5 million. Of the 184 BIE schools, one-third are in poor condition and need of either replacement or substantial repair. We must take action now to ensure our Indian students are in the safest environments possible while receiving their education.

NIEA would be remiss if we did not also mention the tremendous backlog of construction needs for public schools on Indian lands that receive Impact Aid funding from the Department of Education. The Impact Aid program provides resources directly to State public school districts with trust lands. Many public schools on reservations are crumbling, unsafe and should be replaced. We strongly urge the Committee to request funding for Impact Aid school construction needs. These projects could be completed also in a 24 month time frame and would create a significant number of new jobs.

Finally, we understand that provisions are being considered in the stimulus package that may create new authorizations for school construction. While we support new programs for school construction like new public schools and charter schools in Native communities, the BIE school system is a Federal responsibility. We hope that the new Administration and Congress will consult with NIEA and Indian Country on any new school authorization provisions. We want to make sure that the new authorizations do not create unintended negative impacts on BIE schools.

Further, NIEA urges that funding for BIE school construction be separate from funding for public schools, territorial schools or other types of schools. BIE schools are unique, due to treaty rights and the Federal trust responsibility. We must do all that we can to ensure that our Indian children do not have to risk their lives in deteriorating buildings, while aspiring to achieve academic success.

In conclusion, NIEA thanks the Committee and Senator Dorgan for your hard work and diligence on behalf of our communities. We also have some additional documents to submit for the record. Thank you.

[The prepared statement of Ms. Butterfield follows:]

PREPARED STATEMENT OF ROBIN BUTTERFIELD, VICE PRESIDENT, NATIONAL INDIAN EDUCATION ASSOCIATION

Chairman Dorgan, and Members of the Senate Committee on Indian Affairs, thank you for this opportunity to submit testimony on behalf of the National Indian Education Association on the staggering unmet needs of Bureau of Indian Education (BIE) school construction and the importance of including funding for BIE and other educational projects in the economic stimulus plan, known as the Economic Recovery and Reinvestment Plan. NIEA commends Chairman Dorgan in particular for his tremendous efforts to ensure that Indian Country is included in the stimulus package and is deeply appreciative of his commitment to Native education.

Founded in 1970, the National Indian Education Association is the largest organization in the nation dedicated to Native education advocacy issues and embraces a membership of nearly 4,000 American Indian, Alaska Native and Native Hawaiian educators, tribal leaders, school administrators, teachers, elders, parents, and students.

NIEA makes every effort to advocate for the unique educational and culturally related academic needs of Native students. NIEA works to ensure that the federal government upholds its responsibility for the education of Native students through the provision of direct educational services and facilities that are safe and structurally sound. This is incumbent upon the trust relationship of the United States government and includes the responsibility of ensuring educational quality and access. The environment in which instruction and educational services are provided is critical to the achievement of our students to attain the same academic standards as students nation-wide.

Accordingly, NIEA strongly supports Senator Dorgan's request, signed and supported by 14 other Senators, for funding for BIE school construction and maintenance in the economic stimulus package. Senator Dorgan's request of $344 million for new construction of K–12 school facilities and $150 million for maintenance and repair of K–12 school facilities is similar to NIEA's request submitted to President Elect Obama and to the Senate and House appropriations and authorizing committees for inclusion of BIE school construction in the stimulus package. [1]

In its own request, NIEA seeks a total of $500 million in the economic stimulus package for the following: (1) school facilities new construction ($300 million); (2) school facilities improvement and repair ($150 million); and (3) school facilities employee housing repair and maintenance ($50 million) at K–12 schools administered or operated by BIE within the Bureau of Indian Affairs, Department of the Interior. Based upon our discussions with BIE officials and with tribes with BIE schools on BIE's list of facilities in need or repair or replacement, $500 million would allow for the construction of at least 4 schools, repairs and improvements at no less than 25 schools, and repair and maintenance of employee housing at no less than 14 schools.

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[1] NIEA also strongly supports the plan set forth by Senator Dorgan in his request for funding for infrastructure projects at tribal colleges and universities.

These projects can be completed within a 24-month time frame and would help to jumpstart the reservation economies in which these school facilities are located by providing significant numbers of jobs in economically depressed areas where unemployment rates have, over decades, been consistently much higher than the national average. These projects are typically the biggest construction projects in these communities and provide often times the only base for economic stimulation and revitalization in these areas. This funding would be a wise investment in not only the infrastructure on many reservations but also in the education provided to our Native students. Further, this funding would assist in replacing condemned facilities and in repairing dangerous conditions present at many of these schools.

There are only two educational systems for which the Federal Government has direct responsibility: the Department of Defense Schools and federally and tribally operated schools that serve American Indian students. The federally supported Indian education system includes 48,000 students, 29 tribal colleges, universities and post-secondary schools. NIEA is committed to accountability, high standards, and the rigorous education of our children and will continue to hold the BIE accountable for ensuring that BIE students meet their academic potential with educational programs that consider their cultures, languages, backgrounds, and identities. We believe with good faith collaboration that we can provide our children with an education that honors their Native identities while simultaneously preparing them for successful futures by providing them with a safe environment conducive to learning.

NIEA scheduled five field hearings in 2008 throughout Indian Country: Rapid City, South Dakota; Seattle, Washington; Tulsa, Oklahoma; Albuquerque, New Mexico; and Window Rock, Arizona. The purpose of these NIEA-facilitated sessions was to gather information on the challenges faced by BIE schools, including how the No Child Left Behind Act (NCLB) is being implemented and additional concerns of BIE schools as they relate to the achievement of their students. Testimony from the witnesses focused on the following topics: (1) NCLB and Adequate Yearly Progress standards; (2) Indian school construction and facilities maintenance; and (3) student transportation. These sessions served as a focused follow up discussion to the eleven field hearings NIEA held in 2005 on the implementation of NCLB in Indian Country and served as the basis for the legislative language NIEA has proposed for inclusion in reauthorization of NCLB. Today our testimony focuses on the construction needs of schools funded by the BIE.

Indian School Construction

In 1997, GAO issued a report, "Reported Condition and Costs to Repair Schools Funded by the Bureau of Indian Affairs," that documented an inventory of repair needs for education facilities totaling $754 million. In 2004 the backlog for construction and repair was reported to have grown to $942 million.

More recently, in March of 2008, the Consensus Building Institute (CBI) with the U.S. Institute for Environmental Conflict Resolution issued a *Final Convening Report: Negotiated Rulemaking Committee on Bureau of Indian Affairs—Funded Schools Facilities Construction.* CBI reported in their findings of the conditions of the schools that "many schools are ill equipped for the information age," "security needs and related funding are major sources of concern for many schools," "aging or poor design may lead to a substandard educational environment," "operation and maintenance needs are not matched by operation and maintenance annual funding," and "overcrowding is a major concern and a source of accelerating physical decline."[2] Additionally, the report stated in the findings that the Facility Management Information System (FMIS) doesn't sufficiently allow for educational programming needs, including libraries, adequately sized classrooms and gymnasiums, wiring to allow for technological needs and partitions and noise reducing walls.[3]

In May of 2007, the Office of the Inspector General, Department of Interior, issued *Bureau of Indian Affairs and Bureau of Indian Education: Schools in Need of Immediate Action,* a flash report that describes the conditions at BIE schools that require "immediate action to protect the health and safety of students and faculty." Although the Inspector General visited thirteen schools as part of their investigation, four schools were highlighted in the flash report—Chinle Boarding School, Shonto Preparatory School, Keams Canyon School, and the Kayenta Boarding School. In the report, the Inspector General cites deterioration ranging from "minor deficiencies such as leaking roofs to severe deficiencies such as classroom walls buckling and separating from their foundation." In his conclusion, the Inspector General states that the "failure to mitigate these conditions **will likely cause injury or death to children** and school employees." This flash report describes the alarming and life threatening situation at BIE schools that the federal government has created in its failure to properly maintain these schools. Native children should not have to risk their lives on a daily basis to access their fundamental right to an education.

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[2] The Consensus Building Institute with the U.S. Institute for Environmental Conflict Resolution (March 5, 2008). *Final Convening Report: Negotiated Rulemaking Committee on Bureau of Indian Affairs—Funded School Facilities Construction,* pp. 16–18.

[3] *Ibid.,* p. 19.

Testifying at the NIEA-sponsored BIA/BIE regional hearing in Navajo Nation/Window Rock, AZ, Hopi Tribal Chairman, Benjamin Nuvamsa stated, "our students are at extremely high risk because of exposure to hazardous materials in our school facilities . . . [recently]severe reductions in annual appropriations for the building Operations, Maintenance and Repairs (OM&R) program results in the ever-increasing number of projects placed in the Facilities Maintenance Inventory System (FMIS). While waiting for funding, our students and staff are subjected to exposure to hazardous materials . . . almost all schools have asbestos and radon issues which puts the students and staff at risk." [4]

In North Dakota, the Mandaree Day School has taken out a loan in the amount of $3 million to cover the costs of building a new BIE education facility even though the federal government has the obligation to provide funding for a new school. The Mandaree Day School could not wait any longer for the funding from BIE to build their school. The loan only covers the facility structure and the 210 children attending this school have no playground and the teachers do not have a paved parking lot. These are just a few examples of the construction needs of BIE schools that are not being met under current funding.

The purpose of education construction is to permit BIE to provide structurally sound buildings in which Native American children can learn without leaking roofs and peeling paint. It is unjust to expect our students to succeed academically when we fail to provide them with a proper environment to achieve success. The amount of funding over the past few years has failed to fund tribes at the rate of inflation, once again exacerbating the hardships faced by Native American students. Further, the funding that has been allocated over the past few years will not keep pace with the tremendous backlog of Indian schools and facilities in need of replacement or repair.

Indian Education Facilities Improvement and Repair Funding

The continued deterioration of facilities on Indian land is not only a federal responsibility but has also become a liability of the federal government. Old and exceeding their life expectancy by decades, BIE schools require consistent increases in facilities maintenance without offsetting decreases in other programs if 48,000 Indian students are to be educated in structurally sound schools.

Of the 4,495 education buildings in the BIE inventory, half are more than 30 years old and more than 20 percent are older than fifty years. On average, BIE education buildings are 60 years old; while, 40 years is the average age for public schools serving the general population. 65 percent of BIE school administrators report the physical condition of one or more school buildings as inadequate. Although education construction has improved a bit over the last few years, the deferred maintenance backlog is still estimated to be over $500 million and increases annually by $56.5 million. As noted by the House Interior Appropriations Subcommittee in its Committee Report accompanying the FY 2006 Interior appropriations bill, "much remains to be done." Of the 184 BIE schools, ⅓ of the schools are in poor condition and in need of either replacement or substantial repair.

Public and Other School Construction Needs

NIEA would be remiss if we did not mention the tremendous backlog of construction needs for public schools on Indian lands that receive Impact Aid funding from the Department of Education. The Impact Aid program directly provides resources to state public school districts with trust status lands within the boundaries of a school district for operational support. Many public schools on reservations are crumbling, unsafe and should be replaced.

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[4] Bureau of Indian Affairs and Bureau of Indian Education: Hearings before the National Indian Education Association, Widow Rock, AZ (August 21, 2008) (testimony of Benjamin Nuvamsa, Hopi Tribal Chairman).

In Idaho, several reservation public schools have attempted bond levies in their communities to repair or replace dilapidated facilities to no avail, as community members struggle with increasing taxes while enduring economic stagnation. The Nez Perce Reservation school in Lapwai, Idaho has over 82 percent American Indian/Alaska Native enrollment and has had four failed bond levies and has not received an Impact Aid construction grant allocation to assist with replacing facilities. The Coeur d' Alene Reservation public schools, located in northern Idaho, which have nearly 65 percent American Indian/Alaska Native enrollment has also had several failed bond levies for the K–12 public school, and no allocation of Impact Aid construction grants to assist with repairing or replacing the facilities.

Impact Aid schools received a total of $1.302 billion for fiscal year 2008 but an amount of $70 million over last year's funding would allow for some progress to be made to meet the continually increasing public school construction needs on reservations. We strongly urge the Committee to consider requesting funding for Impact Aid school construction needs. These projects also could be completed in a 24-month time frame and would create a significant number of jobs in their communities.

Additionally, NIEA encourages funding for renovation projects for Native language immersion K–12 schools, many of which are public and public charter schools. There is a need for numerous renovation projects for schools that support Native language instruction, many of which are housed in abandoned and neglected buildings and are in dire need of repair and maintenance.

New Authorizations for School Construction in the Stimulus Package

Further, we understand that provisions are being considered in the stimulus package that may create new authorizations for school construction. While we support new programs for general school construction, especially new public schools and charter schools in Native communities, we urge you to consider that the BIE school system is a federal responsibility that has unique needs and circumstances. We hope that the new Administration and the Congress will consult with NIEA and Indian Country on any new school construction authorization provisions to ensure that new authorizations do not create unintended adverse impacts on BIE schools. Further, NIEA urges the inclusion of funding for BIE school construction, maintenance, and repair as a separate provision in the economic stimulus package distinct from funding for public schools, territorial schools, or other types of schools given that BIE schools are uniquely situated due to treaty rights and the federal trust obligation for the education of Indian children.

Conclusion

We must do all that we can to ensure that our children do not have to risk their lives in deteriorating buildings while aspiring to achieve academic success. NIEA thanks the Committee for its hard work and diligence on behalf of Native communities. With your support, we are hopeful that Indian Country will have the resources it needs to build the educational facilities that it deserves.

The CHAIRMAN. Ms. Butterfield, thank you. Thank you for your work on the Indian Education Association.

Next, Reno Franklin is with us, who is the Chairman of the National Indian Health Board. Mr. Franklin?

STATEMENT OF RENO FRANKLIN, CHAIRMAN, NATIONAL INDIAN HEALTH BOARD

Mr. FRANKLIN. Thank you, sir.

Chairman Dorgan and Vice Chairman Murkowski, and distinguished members of the Senate Indian Affairs Committee and future member Mr. Udall, let me introduce myself first. I am Reno Keoni Franklin, I am a tribal council member for the Kashia Band of Pomo Indians and the Chairman of the California Rural Indian Health Board and the newly-elected chairperson for the National Indian Health Board. On behalf of NIHB, it is both my honor and my pleasure to submit the NIHB's testimony to you.

During our discussion, we will focus on three recommendations to create jobs and stimulate tribal economies as it relates to health care. These recommendations are reauthorization of the Indian Health Care Improvement Act, improved access and enrollment into Medicare, Medicaid and SCHIP, and health care funding of $1.485 billion for infrastructure and support needs.

Before I continue, please allow me to express my gratitude and the gratitude of the tribes for the work the Committee did during the 110th Congress. You were able to help us reauthorize the Indian Health Care Improvement Act, S. 1200. We were disappointed to see that the final reauthorization did not make it, but we are very hopeful that it will.

NIHB believes strongly that the economic stimulus plan provides an ideal opportunity for reautohrization of the Act. President-elect Obama, in recognizing the unique government-to-government relationship with Indian tribes has said Indian nations have never asked much of the United States, only for what was promised by treaty obligations to their forebears.

Reauthorization of the Act is not asking for much, only the same opportunity to receive basic health care services that the rest of the Country receives. While the Nation suffers from economic crisis, Indian Country has always suffered from both an economic and a health care crisis. American Indians and Alaska Natives suffer a disproportionate disease burden because of inadequate education, sub-par housing, poverty, unemployment and lack of employment opportunities. Indians live in some of the poorest, most remote locations where health care is limited and in some cases completely not accessible.

In my own community in California, my tribal members have to drive nearly four hours round trip to make it to our local health care facility. Today is our opportunity to invest in health care and infrastructure to strengthen tribal economies and bring the Indian health care system into the 21st century. NIHB's recommendations are consistent with President-elect Obama's economic vision.

The reauthorization of the Indian Health Care Improvement Act provides authorities to ensure a healthy Indian reservation work force. It creates jobs, it provides for infrastructure development in Indian reservation communities and expands access to Medicare, Medicaid and SCHIP. Due to the economic crisis in some tribal communities, we expect an increase in enrollment in these safety net programs. Revenue generated from Medicare, Medicaid and SCHIP, an IHS estimate of $780 million annually, support tribal economies through employment of health care professionals and maintenance and renovation of health care facilities.

The NIHB supports the January 9th, 2009 letter from the U.S. Senate outlining a comprehensive plan to stimulate the economy in tribal communities. At the NIHB winter board meeting held on January 8th and 9th in 2009, the NIHB passed Resolution 2009–01, which we have attached as a part of this testimony. Consistent with the Senate request, the NIHB recommends $400 million in Health care facilities construction, $250 million in facilities improvement and maintenance, $250 million in sanitation construction, $200 million in contract health services, and another $150 million in health information technology.

In addition, the NIHB resolution recommends that $285 million in contract support costs shortfall funding be included to stimulate employment opportunities in Indian Country. For every $10 million in CSC shortfall funding, it is estimated that 100 jobs and $6 million in third-party revenues are lost.

On behalf of the National Indian Health Board, I appreciate the opportunity to present testimony today on behalf of the tribes. We appreciate your leadership and we look forward to working shoulder to shoulder with you to realize a healthy future for our tribal communities.

I am available to answer any questions the Committee might ask. Thank you.

[The prepared statement of Mr. Franklin follows:]

PREPARED STATEMENT OF RENO FRANKLIN, CHAIRMAN, NATIONAL INDIAN HEALTH BOARD

Introduction Chairman Dorgan, and Vice-Chairman Murkowski and distinguished members of the Senate Indian Affairs Committee, I am Reno Franklin, a tribal council member of Kashia Band of Pomo Indians, Chairman of the California Rural Indian Health Board, and newly-elected Chairman of the National Indian Health Board (NIHB).[1] On behalf of the NIHB, it is an honor and pleasure to offer the NIHB's testimony on proposals to create jobs and stimulate Indian Country economies.

During our discussion we will focus on three recommendations to create job and stimulate Indian economies as it relates to healthcare. These recommendations are:

1. Reauthorization of the Indian Health Care Improvement Act.
2. Improved Access and Enrollment in Medicare, Medicaid and SCHIP.
3. Healthcare Funding of $1.485 Billion for Infrastructure and Support Needs in Indian Country.

Before I continue, please allow me to express the gratitude of the Tribes for the work the Committee did during 110th Congress to advance the reauthorization of the Indian Health Care Improvement Act (IHCIA), S. 1200. We are especially thankful for the leadership of Senators Dorgan and Murkowski, and other members of the Committee, for their tenacity in ensuring successful passage of S. 1200 by an overwhelming bi-partisan vote of 83–10.

The NIHB believes strongly that the economic stimulus plan provides an ideal opportunity for reauthorization of the IHCIA. As members of this Committee appreciate, Indian Tribes ceded over 400 million acres of land in exchange for health care for their people. President-Elect Obama, in recognizing the unique government-to-government relationship with Indian Tribes, has said "Indian nations have never asked much of the United States—only for what was promised by the treaty obligations made to their forebears. So let me be absolutely clear—I believe treaty commitments are paramount law, and I will fulfill those commitments as president of the United States." Reauthorization of the IHCIA is not asking for much—only the same opportunities to receive basic health care services that the rest of the Country receives.

While the Nation suffers from an economic crisis—Indian Country has always suffered from both an economic and a health care crisis. American Indians and Alaska Natives (AI/AN) suffer disproportionate disease burden because of inadequate education, subpar housing, poverty, unemployment and lack of employment opportunities, and discrimination in the delivery and access to health services. AI/ANs live in some of the poorest and most remote locations where health care is limited and in some cases, completely not accessible. The Indian Health System (IHS) system is funded at only approximately 40 percent of the level of need in comparison to services available to the general population. In some parts of Indian Country, health care is limited to "life or death" emergencies. As a result, AI/ANs suffer lower life expectancies, disproportionate health disparities, and die at higher rates from alcoholism (550 percent higher), diabetes (190 percent higher), and suicide (70 percent higher) than the general U.S. population. Approximately 13 percent of AI/AN deaths occur among those under the age of 25; a rate three times that of the total U.S. population. Our youth are more than twice as likely to commit suicide, and nearly 70 percent of all suicidal acts in Indian Country involve alcohol.

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[1] Established in 1972, NIHB serves Federally Recognized AI/AN tribal governments by advocating for the improvement of health care delivery to AI/ANs, as well as upholding the federal government's trust responsibility to AI/ANs. We strive to advance the level and quality of health care and the adequacy of funding for health services that are operated by the IHS, programs operated directly by Tribal Governments, and other programs. Our Board Members represent each of the twelve Areas of IHS and are elected at-large by the respective Tribal Governmental Officials within their Area. NIHB is the only national organization solely devoted to the improvement of Indian health care on behalf of the Tribes.

In a speech on January 8, 2009, President-Elect Obama outlined his vision of a proposed American Recovery and Reinstatement Plan to jumpstart job creation and long-term growth. The plan proposes to invest in priorities like energy, education, health care and the new infrastructure necessary to keep us strong and competitive in the 21st century. As the President-Elect said: “Perhaps more than anyone else, the Native American community faces huge challenges that have been ignored by Washington for too long. It is time to empower Native Americans in the development of the national policy agenda.” Today is your opportunity to change this. Invest in health care and infrastructure to strengthen Tribal economies and bring the Indian healthcare system into the 21st century. Just say—“Yes We Can.”

NIHB Proposal to Create Jobs and Stimulate Indian Country Economies

1. Reauthorization of the Indian Health Care Improvement Act

The reauthorization of the IHCIA should absolutely be included in an economic stimulus package because it provides authorities for methods to ensure a healthy Indian reservation workforce, creates jobs, provides for infrastructure development in Indian reservation communities, and expands access to safety net programs such as Medicaid and State Children’s Health Insurance Program (SCHIP).

Including the IHCIA bill as part of the economic stimulus package is consistent with the position of the Senate Finance Committee, prominent national organizations and academic scholars who agree that health care reform is an important component to improving this Country’s economic crisis. Reauthorization on the IHCIA bill would stimulate and promote more prosperous and self-sufficient Tribal economies.

The economic stimulus plan is expected to include key health care provisions to stimulate local economies. Some of these provisions would enhance the State Medicaid programs by providing funding opportunities and expansion of Medicaid services for the unemployed. It is also expected that the economic recovery plan will include healthcare specific provisions to address health care spending, incentives for health care professionals to participate in Medicare, and construction and maintenance of community health centers.

Including the IHCIA, and at a minimum, Title II of the bill, will help stimulate Tribal communities by ensuring a healthy workforce, create jobs, and provide new and expanded authorities for health care facilities construction. In some parts of Indian Country, such as the Rosebud Sioux Tribe located in South Dakota, unemployment rates are at 84 percent; and at Standing Rock located in North and South Dakota, the unemployment rates are at 71 percent. As many Tribal leaders have testified before your Committee before—why is it that the United States sends billions of dollars abroad to build homes, jails, government buildings, schools and hospitals, yet cannot do things for its own citizens, the First Americans.

A healthy workforce is the foundation for any healthy economy. Tribal communities are no different: without good health, Indian people cannot go to work, might have to stay home to care for a family member, or will not seek employment or educational opportunities to improve their family’s economic status. The IHCIA bill provides for new authorities to improve the health care of Indian people:

- new and expanded health promotion and disease prevention activities;
- expanded authorities to prevent and treat chronic conditions;
- expanded authorities for cancer screenings;
- comprehensive behavioral health care programs to address the high rates of alcohol and substance abuse and mental illness.

The IHCIA bill would facilitate creation of health care jobs in underserved Tribal communities which suffer from chronically high unemployment through:

- programs for recruitment, retention of health care professionals, with preferences for Indian applicants (who are more likely to remain in the Indian community);
- education allowances to encourage Indians to enter health care training;
- authority for hiring tribal outreach workers for Medicare, Medicaid and SCHIP enrollment assistance.

The IHCIA bill authorizes innovative methods for construction of health care-related and community sanitation facilities through:

- new authority for provision of long-term care and assisted living which will spur construction of such facilities in underserved reservation communities;
- revised criteria for selection of sites for construction of new and expanded hospitals and clinics and for identifying Indian communities in need of water and sewer facility construction;
- authority for construction of youth treatment facilities;
- authority for IHS and Tribal joint venture projects for health care facility construction;
- authority for construction of ambulatory clinics for small tribes.

2. Improved Access and Enrollment in Medicare, Medicaid and SCHIP

Title II of the IHCIA amends the Social Security Act and improves access to and enrollment of Indian people into Medicare, Medicaid, and SCHIP. Due to the economic crisis in some Tribal communities, we expect an increase in enrollment in these safety net programs. Revenues generated from Medicare, Medicaid and SCHIP (IHS estimate of $780 million annually) support Tribal economies through employment of health care professionals and maintenance and renovation of health care facilities.

3. Healthcare Funding of $1.485 Billion for Infrastructure Needs in Indian Country

Healthcare Facilities Construction

The average age of IHS facilities is 33 years, compared to mainstream healthcare facilities in the United States are only 9 years old. Many IHS facilities are overcrowded and were not designed in a manner that permits them to be utilized in the most efficient manner in the context of modern healthcare delivery. The condition of these facilities varies greatly depending on age and other factors. Some are in need of maintenance. In addition to maintenance, there is a need for modernization or expansion to address population growth, to accommodate modern equipment, or to meet the needs of rapidly changing health care delivery systems. Some areas, like the Portland Area (representing Washington, Oregon, and Idaho) and the California Area, have no inpatient hospital facilities at all. Because there is no hospital for AI/AN patients in these IHS Areas, these facilities depend on Contract Health Services (CHS) funds. Forcing patients to travel great distances to receive specialty care with limited funds. There needs to be a large influx of funding for healthcare facilities construction so that the facilities on the IHS facility construction priority list are completed, and other Areas in Indian Country, that have no projects on the priority list, can receive health care facility construction funding to address their needs.

The IHS estimates that approximately 27 percent of the $2.6 billion in priority health facilities projects can be under construction within two years, approximately 35 percent of the $336 million in maintenance and improvement projects can be under construction within two years, and approximately 45 percent, or approximately $1.1 billion of the economically feasible projects, can be under construction within two years.

Health Information Technology

Approximately $233 million for enhancements in health information technology (HIT) can be implemented within two years. An investment in health information technology within the IHS will directly benefit the economy through expenditure of funds in the private sector for goods and services. The current HIT needs within the IHS require additional infrastructure acquisition at the local, regional and national levels. Meeting these needs requires significant purchases of technology hardware and other IT peripherals through commercial IT vendors.

Contract Health Services

CHS services are provided by private or public sector facilities or providers based on referrals from the IHS or tribal CHS program. Due to the severe underfunding of the CHS program, the IHS and tribal programs must ration health care. Unless the individual's medical care is Priority Level 1 request for services that otherwise meet medical priorities are "deferred" until funding is available. Unfortunately, funding does not always become available and the services are never received. For example, in FY 2007, the IHS reported 161,750 cases of deferred services. In that same year, the IHS denied 35,155 requests for services that were not deemed to be within medical priorities. In addition, in 2007, IHS was not able to fund 895 Catastrophic Health Emergency Fund (CHEF)[2] cases. Using an average outpatient service rate of $1,107, the IHS estimates that the total amount needed to fund deferred services, denied services not within medical priorities, and CHEF cases, is $238,032,283. This estimate also does not capture deferred or denied services from the majority of tribally operated CHS programs (nearly one-half of all tribes).

Contract Support Costs

Contract Support Cost (CSC) funding provides resources to Tribes and Tribal organizations, that operate health programs under the Indian Self-Determination and Education Assistance Act, to cover infrastructure and administrative costs associated with the delivery of health care services. Specifically, approximately 70–80 percent of CSC funding is used to pay salaries of Tribal health professionals and administrative staff. Without adequate CSC funding, Tribal health programs are forced to reduce the levels of health care in order to absorb the infrastructure and salary costs. In most instances, cutting health care services is the only alternative to financing these costs. Chronic underfunding has resulted in a substantial shortfall of CSC funding in the amount of $285 million (FY 2009—$132 million and FY 2010—$153 million). An influx of $285 million in CSC funding shortfall will enable Tribes to create more jobs in Indian Country.

NIHB Support of Senate Plan

The NIHB supports the January 9, 2009 letter from the U.S. Senate outlining a comprehensive plan to stimulate the economy in Tribal communities by addressing infrastructure needs and the creation of jobs. At the NIHB Winter Board meeting held on January 8–9, 2009, the NIHB passed Resolution 2009–01, which we have attached as part of this testimony. Consistent with the Senate request, the NIHB recommends that:

- $400 million in health care facilities construction
- $250 million in facilities improvement and maintenance
- $250 million in sanitation construction
- $200 million in contract health services
- $150 million in health information technology is included in the economic stimulus plan.

In addition, the NIHB resolution recommends that $285 million in CSC shortfall funding be included to stimulate employment opportunities in Indian Country. For every $10 million in CSC shortfall funding, it is estimated that 100 jobs and $6 million in third party revenues are lost.

Conclusion

On behalf of the NIHB, I appreciate the opportunity to present testimony on recommendations on healthcare infrastructure and support needs of Indian Country. The NIHB recommends that the American Recovery and Reinstatement Plan include reauthorization of the IHCIA, and in the alternative Title II of the bill, and infrastructure funding to address healthcare facilities and sanitation construction, maintenance and improvement of facilities, contract health services, health information technology, and contract support costs.

We appreciate your leadership in bringing these important economic proposals forward for discussion and we look forward to working with you and your Committee to improve the health of Indian people and the health of our Tribal economies.

I am available to answer any questions the Committee might have.

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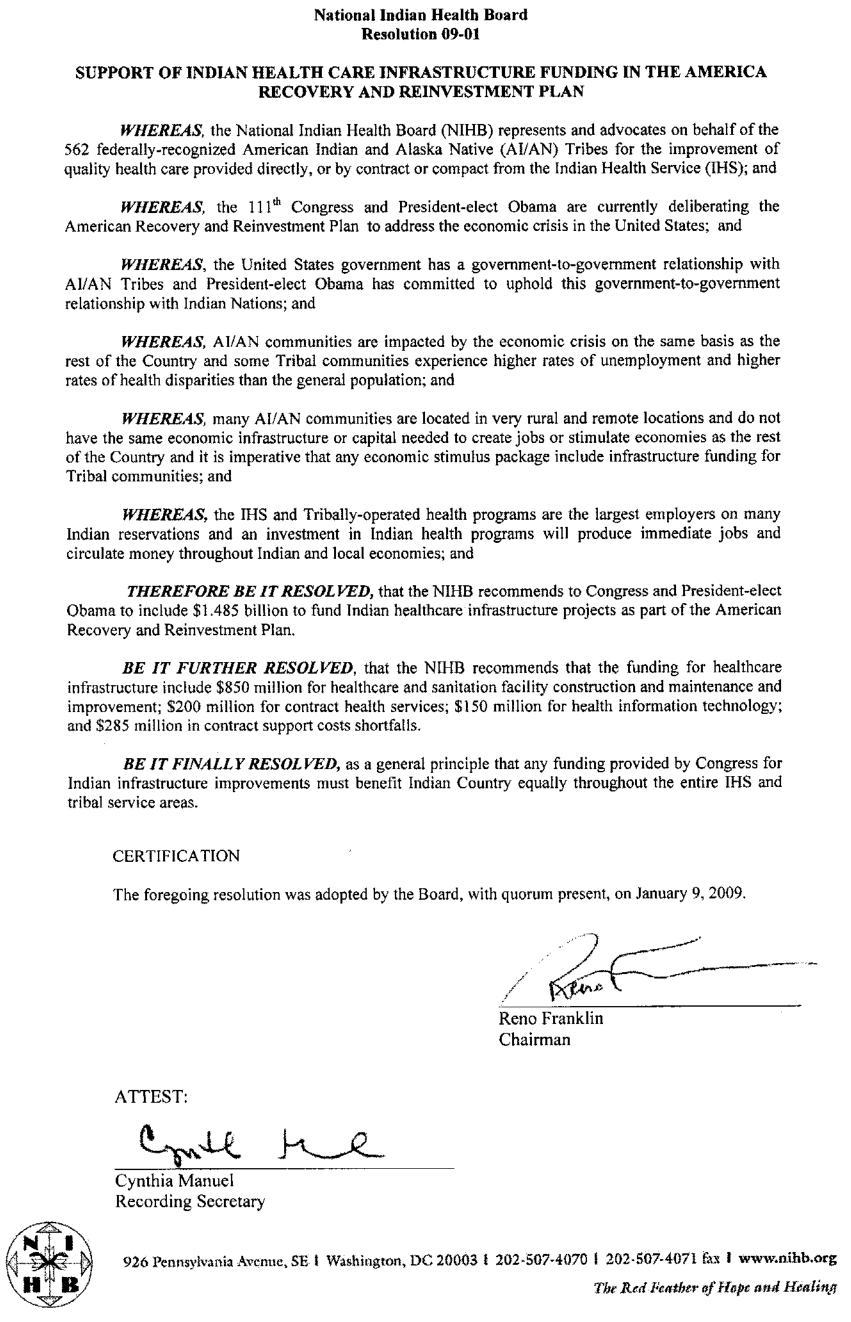
[2] The CHEF is administered by IHS Headquarters and pays for high cost CHS claims.



National Indian Health Board
Resolution 09-01

SUPPORT OF INDIAN HEALTH CARE INFRASTRUCTURE FUNDING IN THE AMERICA RECOVERY AND REINVESTMENT PLAN

WHEREAS, the National Indian Health Board (NIHB) represents and advocates on behalf of the 562 federally-recognized American Indian and Alaska Native (AI/AN) Tribes for the improvement of quality health care provided directly, or by contract or compact from the Indian Health Service (IHS); and

WHEREAS, the 111th Congress and President-elect Obama are currently deliberating the American Recovery and Reinvestment Plan to address the economic crisis in the United States; and

WHEREAS, the United States government has a government-to-government relationship with AI/AN Tribes and President-elect Obama has committed to uphold this government-to-government relationship with Indian Nations; and

WHEREAS, AI/AN communities are impacted by the economic crisis on the same basis as the rest of the Country and some Tribal communities experience higher rates of unemployment and higher rates of health disparities than the general population; and

WHEREAS, many AI/AN communities are located in very rural and remote locations and do not have the same economic infrastructure or capital needed to create jobs or stimulate economies as the rest of the Country and it is imperative that any economic stimulus package include infrastructure funding for Tribal communities; and

WHEREAS, the IHS and Tribally-operated health programs are the largest employers on many Indian reservations and an investment in Indian health programs will produce immediate jobs and circulate money throughout Indian and local economies; and

THEREFORE BE IT RESOLVED, that the NIHB recommends to Congress and President-elect Obama to include $1.485 billion to fund Indian healthcare infrastructure projects as part of the American Recovery and Reinvestment Plan.

BE IT FURTHER RESOLVED, that the NIHB recommends that the funding for healthcare infrastructure include $850 million for healthcare and sanitation facility construction and maintenance and improvement; $200 million for contract health services; $150 million for health information technology; and $285 million in contract support costs shortfalls.

BE IT FINALLY RESOLVED, as a general principle that any funding provided by Congress for Indian infrastructure improvements must benefit Indian Country equally throughout the entire IHS and tribal service areas.

CERTIFICATION

The foregoing resolution was adopted by the Board, with quorum present, on January 9, 2009.

Reno
Reno Franklin
Chairman

ATTEST:

Cynthia Manuel
Recording Secretary

926 Pennsylvania Avenue, SE | Washington, DC 20003 | 202-507-4070 | 202-507-4071 fax | **www.nihb.org**
The Red Feather of Hope and Healing

The CHAIRMAN. Mr. Franklin, thank you.

Finally, we will hear from Julie Kitka, who is the President of the Alaska Federation of Natives.

While I introduce you, Ms. Kitka, I want to indicate that we have been joined by the Junior Senator from Alaska, Senator Begich. Will you ultimately be on this Committee, do you know?

Senator BEGICH. Mr. Chairman, I was actually enjoying sitting by the press, because I could see what they were writing. But I am happy to be here.

The CHAIRMAN. Well, whether you are ultimately on the Committee or not, I know that you will have an abiding interest in these issues, especially coming from Alaska, as Senator Murkowski has had, and a good number of other Senators from Alaska. So we welcome you today to join us, and we are glad you are here.

Speaking of Alaska, Ms. Kitka, you may proceed.

STATEMENT OF JULIE KITKA, PRESIDENT, ALASKA FEDERATION OF NATIVES

Ms. KITKA. Thank you, Mr. Chairman, Madam Vice Chairman, other members of the Committee. It is our pleasure to participate in the hearing today.

I first want to ask that our written comments be included in the record, including our addendum on the Emmonak situation.

As all of us know, we in the United States are in the midst of a crisis. It is a transformational crisis. As we go through this, and it is not only affecting us as Native Americans, but us as Americans, and ourselves as citizens of the world, it is our view that the world we live in will be completely different than when we are through it. And the challenge to us is how to manage the crisis that is going on, and how to prepare for what the world is going to be like after this crisis is over.

It is our view that working together with you, it is going to be really important to connect the dots of all the different signs that we see in the economy and put forward good Federal policies, implemented with the help of strong Native leadership across the Country and have solutions that have long-term value, good value for the U.S. money, and that will get us to a place that we want to be globally in the United States, where Native Americans and other Americans are able to compete in the world and in the economy, and not just barely make it through the crisis.

In my testimony, I quoted Bill Gates, a recent comment that he made where he said that the highest leverage work that Government can do is to set policy and disburse funds in ways that create market incentives for business activity that improves the lives of people, including the poorest and most marginalized Americans. I think that is really important to keep in mind as you go forward with this recovery. It is about setting the investment climate, setting the market conditions, where the tremendous American can-do spirit is unleashed and business is helping to address some of these issues and problems. And the incentives on the tax credits and everything to get going, it is on different for Native American communities, the need to unleash these market incentives to try to make things happen.

I also quote in our testimony that a mere recovery from this crisis is not going to be enough to have sustainable success. During World War II, for example, the famines of 1944 led some military planners to look ahead to the war's end and how to rebuild Europe, and how they would rebuild its shattered farms and infrastructure. That is where they came up with the Marshall Plan. They looked ahead, past the crisis to see what needed to happen. We can do no less for Native American communities. I would like to recommend to the Committee that we put forward a Marshall Plan for the villages in Alaska, a Marshall Plan for our reservations, and that we look past the crisis on where we want to be and not just barely make it through. It is that magnitude of effort that needs to take place.

I have a number of recommendations, about 11, 12 recommendations on energy I would like to put forward. But if I could leave just one message, it is, it really is going to take this Committee to bring that message to the leadership in the Congress and to the Administration, that Native Americans shouldn't be left behind. We are some of the largest land owners in the Country. We have tremendous energy resources. We have a tremendous capacity that has been developing for decades all across the Country in the Native Americans.

And we are ready to help this Country pull out of this recession. We want to be a part of it. We don't want it done to us, we want to be a part of it and help drive it. We have resources, we have leadership. We just need to have the appropriate tools.

In addition, I would like to talk about, on the emergency in Emmonak that was brought forward, it is a really critical situation in Emmonak and a number of villages. The choice between whether or not to heat your home or have food for your family is real. We could have growing problems and we really do need help in this recovery to bring down the cost of energy to make it affordable. We need greater emergency relief capabilities to deal with food shortage problems. I would venture to say it is no different than in many other reservations across the Country where people that don't have a lot of resources are forced to choose between heating their homes, providing basic things for their children, as well as putting food on the table.

I just ask that the rest of our recommendations be brought forward. One last one, and again we have quite a number of recommendations, we really think there is a need for a Native American Economic Council. There is tremendous capacity of Native leadership, whether or not you are talking about gaming tribes, whether or not you are talking about Native corporations, you are talking about the Navajo Tribe. Having a structure, an economic council, where we can engage at the level that many other people engage in, would be very helpful. It would be one of those pieces that could help bring us forward and help us to help ourselves.

Thank you very much, and I appreciate the time to testify.

[The prepared statement of Ms. Kitka follows:]

PREPARED STATEMENT OF JULIE KITKA, PRESIDENT, ALASKA FEDERATION OF NATIVES

Mr. Chairman, Members of the Committee, Ladies and Gentlemen:

For the record, my name is Julie Kitka; and I serve as President of the Alaska Federation of Natives. AFN is a statewide Native organization whose membership includes over 200 villages and tribes, 13 regional Native corporations and 12 regional non-profit tribal consortia that contract and run federal and state programs.

Thank you for inviting AFN to provide testimony today. I ask that the hearing record be kept open for a period of time to allow our tribes and corporations, and interested individuals to provide additional written comments.

In many ways, we can describe rural Alaska and other Native communities as "emerging economies" similar to other countries around the world. As "emerging economies" we are and will continue to be hit very hard by the recession. Economic stimulus programs to help our economy will need to be tailored to the unique circumstances in our Native communities. To generate economic growth, we need U.S. financial and tax incentives to increase both local and expanded investment in our villages, which can lead to stronger and more responsive economic performance levels and badly needed jobs.

Recently, Bill Gates was quoted as saying the *highest leverage work that government can do is to set policy and disburse funds in ways that create market incentives for business activity that improves the lives of all people, including the poorest and most marginalized Americans.* Within AFN, we agree wholeheartedly with this observation.

This economic recovery effort will allow new thinking and has the opportunity to bring solutions many people take for granted, to people who can't get them. The federal effort will play a life-changing role in whether we continue to build capacity to build sustainable economies, or if we are sidelined in the new economy.

A mere recovery from the crisis is not enough to deliver sustainable success. During World War II, for example, the famines of 1944 led some military planners to look ahead to the war's end and how they would help Europe rebuild its shattered farms and infrastructure—an effort that became the Marshall Plan. *Long-term success was achieved not just by how well they handled a downturn, but also by their foresight in preparing for the upturn.*

Native Americans need a Marshall Plan—we need to be part of the recovery and we need to be prepared for the upturn. *AFN urges the Senate Indian Affairs Committee to adopt sweeping recommendations to the full Congress and embrace an effort to allow Native Americans to have the tools we need for the new economy.*

Together, we need to be proactive in taking advantage of the opportunities presented in these extraordinary times. We must be the drivers of change. Federal policy and our leadership must encourage entrepreneurship to jumpstart the economic engines of our communities. We must not get distracted by the negative headlines, but instead remain focused on the opportunities at hand. We must rethink our assumptions about the future, rethink our strategies in light of the transformation-taking place and focus on laying the groundwork for economic success in the 21st century.

Recession

A recession is defined as significant decline in activity across the economy, lasting longer than a few months. The technical indicator of a recession is two consecutive quarters of negative economic growth as measured by a country's gross domestic product (GDP). We are in a recession in the United States, and it will probably be the deepest recession any one of us will experience in our lifetimes—but these especially tough economic times bear with them especially exciting opportunities.

Recovery and Opportunities

Thanks to the efforts of the Congress and the new Administration, we will soon see a massive stimulus bill, the likes of which we have never seen before, to build new infrastructure, to create new jobs and stimulate the credit market. This stimulus bill will be one of the most important, transformational federal efforts in our lifetime. If done right, it will provide an opportunity for people throughout the United States to re-engage with the economy in three major ways: (1) Direct Economic Stimulus—encourage entrepreneurship; (2) Infrastructure Building—ensure inclusion for Native communities & workers; and (3) Alternative Energy—secure economic support for new & existing energy resources. *The Senate Indian Affairs Committee should ensure Native Americans are included in a significant way in all major sections of the bill.*

Pooling of Resources—Indigenous Sovereign Wealth Fund

Looking at Native communities as emerging markets within the United States market, we can also see an opportunity to create indigenous sovereign wealth funds. Through the combined capital or combined resources in these funds, Native communities could have the opportunity to track more resources and invest more wisely and create more jobs then ever before. *Federal policies should encourage, provide incentives, support, and guarantees to make this happen.*

What are Sovereign Wealth Funds?

Pools of money derived from a country's reserves, which are set aside for investment purposes that will benefit the country's economy and citizens. The funding for a Sovereign Wealth Fund (SWF) comes from central bank reserves that accumulate as a result of budget and trade surpluses, and even from revenue generated from the exports of natural resources.

Some countries have created SWF to diversify their revenue streams. For example, United Arab Emirates (UAE) relies on its oil exports for its wealth; therefore, it devotes a portion of its reserves in an SWF that invests in other types of assets that can act as a shield against oil-related risk.

AFN Requests for the Congress and New Administration

1. Applicable economic stimulus funds intended to assist federally recognized tribes or Alaska Native Claims Settlement Act (ANCSA) corporations should be directly funded from the federal government, and not through the States.
2. There should be clarifying language stating that the ANCSA corporations shall be treated as Indian Tribes for the purposes of the Economic Recovery bill.
3. Any matching fund requirements in authorizing law under the Economic Recovery bill should be temporarily waived for Indian tribes and ANCSA corporations.
4. The Congress should authorize, and President-Elect Obama should establish, a Native American Economic Council to provide Native Americans an opportunity to have a seat at the table when major economic decisions are made, to allow involvement in major new economic restructuring which will affect Native Americans, and to help focus on productivity and encourage Native American involvement in building U.S. competitiveness in the global economy. Native Americans need to be brought into major new economic restructuring which will affect our communities—right from the start, and not after the fact. We have the capacity across the nation because of our experience in tribal enterprises (both for profit and not-for-profit) to contribute expertise in development, which is sound.
5. The Congress should authorize and President-Elect Obama should establish, a Native American Development Bank, similar to the Asian Development Bank or the Inter-American Development Bank and capitalize it in the economic recovery package he submits to the Congress.
6. The Congress should encourage inter-tribal economic collaboration including the creation of Indigenous Sovereign Wealth Funds.
7. The Congress and new Administration should strengthen and expand government contracting as a model to diversify and provide value to the US government during this recovery. The SBA 8(a) program is a success and can be a strong vehicle in the economic recovery. Tribal small businesses are a key vehicle for ramping up job creation at the same time providing real value, transparency, and accountability.
8. The Congress and new Administration should encourage entrepreneurship and small business development. A successful example, which could be ramped up is the public-private partnership—the Alaska Marketplace Ideas Competition.

The final set of recommendations deal with actions, which can be taken on energy.

So what can we do to deal with the immediate energy crisis in rural Alaska, and how can the Federal Government play a key role in addressing the problem? We believe a multi-faceted approach much be taken—one that provides greater economic opportunities for Native tribes and corporations to develop energy resources and one that drives down local costs of energy. Here are some practical ideas, as a starting place:

1. Congress should urge the Department of Interior to publish regulations on an expedited basis to implement the programs authorized by the Indian Tribal Energy Development and Self-Determination Act, Title V of the Energy Policy Act of 2005, and Congress should fully fund their implementation. The Indian Tribal Energy Development and Self-Determination Act authorizes a variety of financial, technical, environmental and other programs that are intended to empower tribes and Alaska Native Corporations to develop energy resources. It authorizes the Department of Interior's Office of Indian Energy Policy and Programs to reduce energy costs, enhance tribal energy infrastructure and improve delivery of electricity to tribal communities. It also authorizes a multi-billion-loan guarantee program, as well as other assistance to encourage development of renewable and non-renewable resources by tribes and tribal organizations. We have projects that are being held up because of the delay in the publication of regulations implementing this legislation. An important consideration for Alaska in the regulations is the inclusion of the Native corporations, who are crucial stakeholders. The Native corporations hold our land and resources, and must be included in any program affecting our land base.
2. The congressionally created Denali Commission has requested Letters of Interest on developing small-scale alternative/renewable energy and energy efficiency

projects in Alaska, with a budget of only $5 million. The Commission has received far more proposals that it has funds to support. Congress should increase funding to the Denali Commission for developing alternative/renewable energy projects.

3. State and federal strategies should be developed to provide economic incentives to conserve energy (including tax credits, low interest loans, rebates and grants to weatherize homes, and grants to purchase more efficient heating systems, wind generators, solar panels, and other technologies.

4. Congress should increase the supply of energy by encouraging exploration and development of private, state and federal uplands, both onshore and offshore. This can be done by providing incentives, such as OCS revenue sharing for Alaska's coastal communities, as has been done for Florida, Louisiana and Texas. If our communities could count on sharing some of the revenue from offshore leasing for their own critical infrastructure and other needs, there would be greater local support for exploration and development in offshore areas. AFN strongly supports the right of self-determination for our Native communities and urges that leases, which have generated a lack of widespread community support be revisited and discussions opened up with affected communities to address their concerns.

5. Congress should work closely with the State to ensure that in development of a Natural Gas Pipeline in Alaska, our communities have access to the natural gas that will pass through that pipeline through spur connections and pipe; and that ownership, partnership, and contracting opportunities for Alaska Native tribes and corporations be part of the development. Serious training funds should be appropriated for workforce development to ensure broad Native participation in the projects. If the Committee is interested, we could submit much more detailed information and recommendations on the natural gas project.

6. Congress should provide additional funding for the Low-Income Home Energy Assistance Program (LIHEAP) in Alaska—and should urge the State to add its own appropriations for this excellent program. This country should be concerned when its poorest citizens are left to rely on the generosity of companies like Citco to meet their basic energy needs.

7. Congress should urge, and provide incentives for, states to develop their own comprehensive energy plans, with effective processes for local input. This is perhaps the most critical step of all, since it can open the door to more specific solutions at the regional and community levels.

8. Congress should create real opportunities for alternative energy projects, at least one major demonstration project within each Native region in Alaska. And further projects should be structured to encourage Native-to-Native partnerships, both within Alaska and with Native American tribal partners. There is much sharing of information and experience, which can take place, and greater inter-tribal collaborations are to be encouraged.

9. Congress should fully fund and implement the Energy Independence and Security Act of 2007, which was authorized last year. That bill includes a host of provisions to further renewable energy development, including a Renewable Energy Deployment Grant Program that would provide federal grants for up to 50% of the cost of building a wide variety of renewable electricity projects, including wind, geothermal, ocean, biomass, solar, landfill gas and hydroelectric projects in Alaska. It provides for a federal grant program specifically to help with construction of geothermal energy projects in areas of high electricity costs like rural Alaska.

10. Congress and the State should provide homeowners with incentives to shift to supplemental alternative energy, including a weatherization programs, rebates for installation of energy saving changes.

11. Congress should re-introduce, enact and fund S. 2232, the Native American Challenge Demonstration Project Act, creating a total of five pilot projects in remote, predominately Native American areas modeled after lessons learned from the US experience in providing foreign aid to the developing world. The project would use a compacting model to channel significant development funds to implement locally designed economic development strategies, including energy strategies. The objectives would be to enhance the long-term job creation and revenue generation potential of Native economies by creating investment-favorable climates and increasing Native productivity.

Thank you for the opportunity to share our ideas. Thank you for your dedication and hard work. The task you are undertaking right now will shape our collective future, and that of our whole country. We wish you wisdom and strength to do it right.

Update to AFN Testimony before the US Senate Indian Affairs Committee
January 15, 2009
Julie Kitka, President
Alaska Federation of Natives

In the summer of 2008, AFN testified before this Committee on the critical situation facing our villages because of the added stress of higher energy costs. Here is an update to supplement our recommendations on energy and the economic recovery package pending in the US Congress this session.

Rural Alaska is paying some of the highest energy costs in the nation. Many of our friends, families and community members are forced to choose between heat in their homes or food on the table. This is a real crisis in rural Alaska, and a real life example is taking place in a village called Emmonak. Enclosed is a copy of an article written by a resident that truly illustrates the dire straits facing our people. The high cost of fuel in Alaska is taking its toll, and the need to increase refining capacity and supply is critical.

In Alaska we have three refiners, of the three- one is Petro Star Inc. owned by Alaska Natives. This small refiner has two plants, one located in Valdez and the other in North Pole. The perations provide home heating oil for the interior region of Alaska, in addition to other distillate fuels for other parts of the state. There are two issues I pose to you for consideration that will have an impact on the Alaskan economy and major vendors outside of the state of Alaska, and that address the energy circumstances faced by many Alaskans.

The first is to extend the ultra-low sulfur diesel requirements for rural Alaska from June 2010, to December 2011.

Rural Alaska consists of those parts of Alaska that are unreachable by either the national highway system or the Alaska Marine Highway. Its constituent towns and villages are small and remote, and many are able to receive fuel shipments only once a year because of cost and winter hazards. In large part because of transportation costs, rural Alaskan communities experience the highest fuel costs in the nation. In addition, because rural Alaska is both immense and sparsely populated, it possesses very limited fuel delivery infrastructure.

Existing law provides for different implementation dates for different levels of sulfur reduction in highway, non-road, locomotive and marine diesel fuels, and also allows implementation by small business refiners to be delayed under specific conditions. The Environmental Protection Agency (EPA) recognized that this program was impractical for rural Alaska, because nearly all rural communities do not possess the infrastructure to handle several different grades of distillate fuels. Instead, EPA approved a program allowing the continued use of distillate fuels raditionally produced by Alaska refiners for all20purposes, including electrical power generation and home heating, until June 2010. Thereafter, ultra-low sulfur diesel fuel must be used for all purposes.[1]

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The June 2010, deadline creates potentially severe hardship because there is only one refinery that currently manufactures ultra-low sulfur diesel, and another that plans to do so. Petro Star Inc., a small business refiner, is in the early stages of installing the capacity to produce ultra-low sulfur diesel. This capacity will not be up and running by the June 1, 2010 deadline, and certainly will not be capable of producing ultra-low sulfur diesel for shipment to rural Alaska during the brief summer delivery period. The other large refiner, Tesoro, will be the only in-state source of ultra-low sulfur diesel until Petro Star completes its project. Tesoro has indicated that its Kenai, Alaska facility does not have the capacity to meet all in-state demand. Thus, ultra-low sulfur diesel will have to be imported from other states or nations, adding to its cost. This dynamic will undoubtedly increase in energy costs in rural Alaska, where families are choosing between heating their homes, feeding their families or migrating outside of their villages.

The simple solution to this problem would be to extend the deadline for rural Alaska compliance with the 15 ppm specification to December 31, 2011. This would insure that there would be sufficient fuel in-state to supply rural Alaska for the 2010 and 2011 seasons and thereafter. By doing so, it would avoid the possibility of dangerous fuel shortfalls in rural Alaska during 2010 and 2011 and help limit the cost of fuel to rural Alaskans.

The second is to extend the accelerated depreciation and tax credit provisions set to expire on December 31, 2009 to December 31, 2011.

Existing Federal law requires petroleum refiners to produce ultra-low sulfur diesel fuel for highway and non-road use. Petroleum refiners across the nation were required to meet the 15 ppm sulfur standard for highway diesel by September 1, 2006. Small business refiners have delayed implementation dates for highway, non-road, locomotive and marine diesel.

These delayed implementation dates reflect in part EPA's recognition that small business refiners confront significantly greater obstacles than large refineries in implementing significant new technologies because they have inherently poor economies of scale, are less able to access capital, and are likely to be "the last in line"20for limited engineering and fabrication resources.

Congress recognized the difficulties that small business refineries face in meeting the ultra-low sulfur diesel requirements in IRC § 179B and IRC § 45H. This statute allows small business refiners to recover the capital costs that they incur installing the capacity to manufacture ultra-low sulfur diesel fuels. Section 179B allows small business refiners to immediately deduct as an expense up to 75 percent of the costs paid for complying with the ultra-low diesel requirement. Section 45H provides an additional credit of five cents per gallon for low sulfur diesel fuel produced in compliance with the requirements.

These provisions extend only to costs incurred prior to December 31, 2009. For ultra-low sulfur diesel projects currently underway, this sunset date means that the provision will not capture all the capital costs that small business refiners incur in meeting the ultra-low sulfur diesel standards.

The solution to this problem is simple: Extend the period in which capital costs are eligible for the accelerated depreciation and tax credits by two years, to December 31, 2011.

Such an extension may enable some small refiners to undertake projects by enhancing their ability to finance them, and the extension will definitely enhance the financial viability of small business refiners that must install ultra-low sulfur diesel capacity to=2 0survive. Small business refiners are often times major economic engines in the rural communities in which they operate, including their contributions to these communities as fuel suppliers, taxpayers, and employers. Their continued economic health is an important national goal, and the suggested amendment would contribute directly to that health.

On December 28, 2008, Petro Star suffered a fire at its plant located in Valdez, Alaska, that severely damaged a portion of the refinery. The refinery is currently shutdown and the company is in the process of investigating the cause and preparing to rebuild the damaged portion of the refinery. The fire coupled with the market collapse has made financing the project very difficult. The need for the accelerated depreciation and tax credits to be extended until December 31, 2011 is critical to the viability of the project.

The upgrades are projected to create 150 construction jobs in remote Valdez, Alaska, which is significant in such a small community. This is a $100M+ construction project with engineering and fabrication vendors from across the nation. The project impact reaches far beyond Alaska's borders, and will contribute to the economic revitalization efforts by the Federal government.

Congress recognized that these provisions were needed to make the ultra-low sulfur diesel requirements more attractive, and provided an incentive for small refiners to take advantage of these provisions. Due to the current economic situation and the difficulty of obtaining capital, these provisions open up capital markets for refiners to use in an effort to comply with the EPA requirements. The cost of extending the tax credits should be minimal; the score on these provisions should be fairly low. The original score was $98M for 10 years for all 65 small refiners in the nation, and that includes the accelerated depreciation and the tax credits. At a time when domestic refining capacity is declining, companies who want to comply with these standards need the provisions to remain in business and comply with the ultra-low sulfur diesel standards. Without them, there is a potential that some small refiners that typically serve rural areas will no longer operate.

Granting the both extensions will stimulate the economy in our very large state, help meet the fuel demands of our residents and provide employment opportunities inside and outside of Alaska.

[1] Small business refiners are allowed to produce an intermediate grade, low sulfur diesel (i.e., with 500 ppm sulfur instead of the ultra-low 15 ppm) until later compliance dates, but as a practical matter, to produce 500 ppm sulfur diesel fuels in bulk, a refiner must install equipment comparable to that necessary to produce 15 ppm sulfur fuel.

Anchorage Daily News Article from January 12, 2009
ALASKA NEWSPAPER STAFF
editor@alaskanewspapers.com
January 12, 2009 at 1:42PM AKST

A combination of extreme cold and high fuel prices has created a humanitarian crisis for the village of Emmonak, according to resident Nicholas Tucker. In a letter sent out as a cry for help, Tucker describes economic conditions in which families are rationing food and warmth for themselves and their children in the Southwest Alaska village of 800.

The situation could easily worsen - extreme cold that arrived early this winter and stuck around means heating fuel must soon be flown in, which residents fear will push the price from $7.83 per gallon to $9 a gallon or more. In the letter, Tucker, who calls himself a longtime advocate for the region, describes the desperate circumstances faced by several families. He learned about their situation after putting out a VHF radio announcement in the village asking families to describe how they were weathering the=2 0 fuel crisis in rural Alaska.

Tucker requests a "massive airlift" of food and said money from churches, state agencies and other groups is needed to offset the high fuel prices. The 100 gallons of free heating fuel for every home in Alaska Native communities that has been promised by oil company Citgo will help. But it won't be enough because it will last only one month, he said. Tucker originally circulated the letter on Jan. 10 at a meeting in Emmonak in which Lower Yukon River villages discussed ways to lower fuel prices next spring. The letter has also been sent to some churches, the Food Bank of Alaska and officials with Calista Corp., the Native corporation for the region which owns this and other rural newspapers.

January 9, 2009

Fuel Summit Participants

Emmonak, AK 99581

RE: Fuel Crisis Devastating Families & Households

Ladies and Gentlemen:

From several years ago, our heating fuel and gasoline costs have doubled in Emmonak. Current retail prices are $7.83 per gallon for heating fuel and $7.25 per gallon for gasoline, including the city sales tax. Our village has run out of heating fuel and the first airlift shipment has arrived at the airport. As early as today, the retail for our winter shipments is expected to be anywhere from $9 - $11 per gallon or higher.

Last summer, we experienced a king salmon fisheries disaster. We did not have any king salmon commercial openings. We had a chum salmon commercial harvest which is nothing compared to the king fishery. Chum harvest traditionally covered our king salmon fishing start-up costs, most of the purchase of new equipment, repair and maintenance, supplies, and operating expenses. Our commercial fishermen did not make any money. Our income from this meager, small-scale commercial harvest is basic to and vital to our seasonal subsistence fishing and hunting, berry picking, plant gathering, motor oil and gas, supplies, equipment, and cash for repairs of our outboard motors and our snowmachines used for winter wood gathering. This income pays for our many household bills.

Last fall, we weren't delivered our usual fall fuel orders due to early freeze up. Following this, we got hit by a rare weather anomaly: It has been very, very cold since last part of September. This cold snap still persists as of this day. Households have tell me that there is more snow covering the driftwood out in the tundra and the coastlines, making it difficult finding the logs for firewood. A lot more gasoline and motor oil is being used in search of the driftwood. This winter-long, extreme cold snap is causing the furnaces and boilers to run constantly and to their maximum.

My family of ten, with a household of six adults and four minors, is one of the causalities of our current high costs of heating fuel and gasoline that are devastating families and households here in Emmonak of 847 residents. I am 63 and my wife is 54. For the first time, beginning December 2008, I am forced to decide buying between heating fuel or groceries. I had been forced to dig into our January income to stay warm during December. Again, for this month, same thing happens. I am taking away my February income this month to survive. Couple of weeks ago, our 8-year old son had to go to bed hungry. My wife and I provide for our family with disability, Veterans' benefits, social security, and unemployment incomes. We are several months behind on our city water and sewer bills. We had originally used up all our $1,200 energy subsidy to prepay electricity for the winter and other bills in hope of surviving for this winter due to these high fuel costs. We didn't anticipate the early freeze-up that prevented our native corporation getting its winter supplies of fuel. We didn't anticipate an unexpected winter-long bitter cold. I don't recall anything having occurred as cold as it has been and its length that we have to endure. The following are the costs of heating fuel and a 100-lb bottle of propane between December 12, 2008 and yesterday, a period of 29 days:

December 12, 2008, Stove oil, 55 gals:	$ 440.54
December 14, 2008, 100# propane:	$ 173.04
December 31, 2008, Stove oil, 55 gals:	$ 440.54

January 9, 2009, Stove oil, 59 gallons:	$ 471.85
Total:	$1,525.97

On December 29, 2008, we had to get 16.1 gallons of stove oil delivered at the cost of $136.03 before we ran out. Luckily, we were awarded $135.59 energy assistance from our Association of Village Councils Presidents during the 3rd week of December 2008. It would have cost us that much more to heat our home. Then, ironically, yesterday, due to a leak, we were forced to buy another 100-pound bottle of propane – an additional, unexpected expenditure of $173.04 to the above. With 21 days left this month, we have just $440 in our account to feed all the nine people in my house (one daughter is in Fairbanks temporarily).

Our family situation dawned on me: “what about my neighbors?” Just two days ago, I made a VHF radio announcement asking families to call me about what is really going on in their households due to the high costs of fuel. Within few hours, 21 households responded and several more yesterday. Many may have had their radios turned off, not at home, or just cannot afford one.

Here is what they related:

P. & K. A.: Middle aged couple, family of five. They are forced to buy heating fuel over food.

M. & M. G.: Middle aged, family of six: No wood at all; hard time buying stove oil.

L. M.: Young single parent, mother of one. On her last energy assistance, 10.2 gallons left, Dad in Anchorage for medical check up; his snowmachine and a 4-wheeler are frozen.

E. & A. U.: Elders, ages 68 and 65, family of eight and helping daughter in another house with food; gets no food stamps and both have no work. They have to buy heating fuel and gasoline for snowmachine over food.

A. & L. M.. Middle aged couple, family of eight. Family is buying heating fuel over food all this winter. They have no choice. Wife has a part time job. Husband’s health, including a bad back, is preventing work – had lost his last job due to health.

J. & W. M.: Family of seven. Husband, 57, provides family with his disability checks. Unable to work due to his health. Needs all the help in keeping house warm and to have enough food for the young children.

C. & J. A.: Middle aged couple, family of 5. Needs heating fuel and had his unemployment benefits denied. No more energy assistance. Having to buy heating fuel over food and sacrificing payments of electric and city water sewer to get food.

T. U., boyfriend and children: Having hard time getting food and pampers and is on-call work. Getting food from elderly parents. Buying heating fuel over food. No food once in a while and having to cook whatever is on hand like rice. Sometimes, having to cook only moose for a whole week because there is nothing else to eat. There are days when there is nothing for breakfast and lunch and have to eat only one dinner meal a day.

T. & J. L.: Young couple, family of four. Hard time getting heating fuel; have no gasoline for their snowmachine to get wood and credit line at the local fuel tank farm is over limit. Family gets some food stamps but goes fast due to high cost of groceries in the village. Sometimes, having just little bit of food in the house because whatever money they have is used primarily for buying hearting fuel.

R. & T. A.: Young couple, family of seven. Family is having difficult time getting heating fuel. They are having hard time getting any jobs in the village. They are forced to get heating fuel and have little bit of food. Wife has to get heating fuel from her father to keep their house warm and keep the hot water heater turned. Both are having very hard time keeping up with electricity and water/sewer bills.

P. J.: Widower and provider of five children. As of December 31, 2008, his food stamps have been cut off. He debates between buying heating fuel or food. His kids have to eat. He has to keep his kids warm at night during these very cold winter days. He is having hard time getting heating fuel and is piled up on bills, rent, water/sewer. He is behind in payments.

A.K. Jr: single, unemployed. Has no stove oil, gasoline and motor oil for getting logs. He depends on neighbors for a snowmachine to get logs. People get tired of him asking. Each trip to get sled load of logs is $50 to $70 to high cost of gasoline at $7.25 a gallon. He is using any kinds of wood including cotton wood just to keep warm. His woodstove is kept off all day during these cold days just to save what little wood he has so he could sleep warm at night. His monthly food stamps last only couple of weeks due to very high cost of groceries in the stores in our village. He has to get some food from his elderly father and uncles to survive. He has not been able to get any heating fuel since last fall. It is a choice between heating fuel or gasoline to get wood. Wood lasts longer. The first part of this winter, he was able to get logs from the coastline, 12 miles out, but they are now covered with snow and extremely hard to find. He is getting whatever he is able get his hand on within a mile away from the village, like willows. On occasion, he pulls a sled by and to get the willows and little wood.

M. & M. A (Sr): Elderly couple, 80 and 75. Four adults live in the household. He is forced to buy heating fuel over food. He gets some help with energy assistance. It is very cold this winter and cannot go without heat. It is hard to get wood. Heating fuel used to be less than the price of gasoline. These days, it is higher. His daughter helps with groceries, water/sewer and electricity bills.

G. & K. F.: Young couple with family of five. Wife is unable to sleep and stressed out not knowing when they will be able get their next heating fuel. A 100-lb. bottle of propane gas that usually lasts four months is now lasting only two months because they use it to heat water. This costs them $200 every two weeks. They do not have hot water heater. Wife has very little income and uses $375, the one-half of her gross income every two weeks, to get heating fuel. She has no food for her family sometimes, because, she has to split the rest of what little is left for water/sewer and electricity. Gasoline for her 4-wheeler is very expensive. Her parents help her with food and firewood. They cannot afford a snowmachine or a boat to get logs. Heating fuel and propane is taking her food money away. Her added worry is that the village native corporation is running out of heating fuel and is being airlifted in. New cost is expected to be near $9 - $11 per gallon or higher.

R. & M. W: Near middle aged couple, family of 5. Husband not working, use wood for heating and a monitor at night. At times, have to decide between getting heating fuel or food. Their food stamps and other public assistance applications have been denied citing over income. Wife knows the customers are being refused charges at the local tank farm. The company is hurt having to say no to customers with over-limit balances and it gets very difficult at times.

J. & M. B: Young couple, family of 9. They used to have energy assistance. They have run out of heating fuel many times. Most of the time, they are getting their heating fuel at $28 - $30 at a time. This comes to less than five gallons at a time. They use their woodstove during the day and the monitor at night. Although they had gotten more subsistence food to fill their freezer, they are already running out of moose. They do have lots of fish on hand, but on other stables, they barely have enough most of the time – barely enough to eat. They want get more their groceries from the store, but can't. Most of the time they would have just rice and maybe spam – as long as their kids did not go to bed hungry(could sense choking over the phone from trying not to cry).

C. & L. R: Near middle aged couple, with six children. Another family moved in with them. They are having difficult time. They did had gotten some energy assistance. They are in need of pampers and formula milk. Sometimes, the entire household has one meat a day – at supper time. They are struggling to get heating fuel.

They are behind in their electricity, water and sewer bills. The last time, they we able to get 17 gallons of heating fuel. (Could tell the wife was crying as she related these to me.)

Y. & A. K(Sr): Husband is 70 and wife. Three in the household. Husband is sick with Parkinson's disease. He gets dizzy. He is forced to quit his job. He is unable to get other work. He is real hurt that he cannot do what he had been able to do. At 68, he was still working. They are going through real hardship. He would not be getting some heating fuel and firewood if it were not for his boys. They would be in very bad shape. They are having snowmachine problems. He counts on his boys to get firewood. He is unable to do that. Gasoline for the snowmachine is too high at $7.04 a gallon. He is exempt from city sales tax. He has no way to feed his family. His boys did set net under ice, but due to the very long cold snap, it is frozen to the ice. Sometimes they go hungry. He cries when he is alone – have to let it out. He does not feel old – his health is stopping him from providing for his family. He is not used to it. He is used to getting a paycheck every two weeks. The electricity and city water/sewer bills are higher – hopes they will not be cut off.

M. & P. Y: Husband is 58, family of four. Although he started work last August, most of the time, little at a time, he is getting heating fuel. He has a monitor stove. His energy assistance is depleted. His house is cold half of the time. He does not get food stamps. His Permanent Fund Dividend is all gone. His rent is $250 per month. He is struggling to make ends meet.

G. & F. H: Near middle aged couple, family of six. The husband cried as he was talking to me. He says he is not doing good. He receives a very small unemployment income and is out of fuel a lot. He is able to get his heating fuel five gallons at a time. His family has been out of food for quite some time now. Their one-year old child is out of milk, can't get it and he has no idea when he will be able to get the next can. He has been borrowing milk from anyone he can. His moose meat supply is running out. He has been out of work since October 2008. There are no jobs available. Because of this very high cost of heating fuel, he is in this situation. The electricity has sky-rocketed and he can't pay all the bills. What little money he gets goes into food and it is getting very, very hard. He hopes to find food somewhere. He is mainly concerned about his one-year old child, his wife and thinks that his wife may be pregnant. They do have some pilot bread, There are days without food in his house. He is not concerned about himself, but about his wife and children. He calls other family members for a can of milk. Whatever little bit of meat they have left, they are trying to make it last. They have little bit of it at a time and out of that, eat as much they can so that they would not be too hungry during the night. They almost lost their child last year with RS. She is sickly. Their house is not well insulated. The five gallons of heating fuel they are able get last four days. They use their electric stove for heat. Without any work, it is very hard. It is hard for me to imagine what my family has to go further on with – my kids and my wife. This winter is hardest for us with high price of everything. My brother and his son, we give them some food, whatever little we have. We let them eat as long as I have something to share. Our freezers are going empty. Have to use heaters to help keep the house warm. Just to think about all this is very hard – it hurts.

P. R: Single, separated, with five children. (He chokes occasionally, holding back crying.) He and his children are staying in the same household with his brother's family. Cost of fuel is so high and everything else and we're able to get just a few things at a time. We have no other subsistence food left. Only thing we're surviving on moose meat alone and it is almost gone. Everything is so high – only able to get little bit. We can't catch up on our bills. We're really hurting even we are given some from other people. Right now, we can't eat during the day, only at supper time. And, it is still not enough. If there had been no school lunch, our kids would be starving. It is going to get worse in two weeks when our new heating fuel supply is airlifted in. Price of fuel will go way up again. I am lucky that the Women's Shelter is able to give me some coffee.

M. M. & A.R: Middle aged, couple with a child, family of three. Don't know how they are going to survive. They are getting heating fuel five gallons at a time or $20 at a time. When the new supply of fuel is air shipped in, it is going to get even harder. We are improvising our woodstove. This is the hardest year – other years were okay. This is the worst year.

S.K & Girlfriend: Both young, 37 and 34. He says his mom has cried from these hardships they are going through (his mom is 73 and dad is 68). He and his girlfriend have no heating fuel. Whatever money he gets goes to getting gasoline for his snowmachine to get logs. They have barely any money left for food. Sometimes, he has to borrow little bit of money to get some food from his 73-year old mom. There are some days he and his girlfriend are without any food. Today, they had nothing for breakfast. Most of the time, they have some dry fish for lunch or Cup of Noodles with Pilot Bread. There are times they go without dinner or if they eat, they have little bit and that would set them up for the night. His electricity bill use to be $60 for the little house they're in and now it is over $100 a month. They're living without city water/sewer and use honey buckets and have to dump them. They pack water. They have no money for city water and sewer. Their snowmachine is finally out of commission. They had to keep using it to get whatever firewood they could even the bearings had been broken because they can't afford to do repair work on the machine. They were packing water with in that condition.

O. & A. M: Young couple, 34 and 37, five in the family. They are in need of heating fuel and food. They are buying so much heating fuel – burning so much. They are having hard time getting food. They have not paid for their city water/sewer since October 2008. They go without dinner sometimes. Their kids are able to have lunch – at school. They have no woodstove. Their house is very small and if they did get a woodstove, they wouldn't know where to put it.

T. & A. P: Middle aged couple, 47 and 41. Eight in the family. Very, very cold winter. Their 55-gallon heating fuel lasts only two weeks: this is about $441 every two weeks. They are able to burn wood, but the gas for the snowmachine is very expensive and the logs are very hard to find in this early snow. Logs are covered under the snow. The husband has to use more gasoline and motor oil in search of the logs for firewood. Rent and rent payments are okay. Husband has a part time work and some unemployment income. The family receives some food stamps but runs out around the third week of each month. Subsistence hunting is not easy because it takes time, having to use lot more gas at $7.25 a gallon. He and his wife can't even get hygiene stuff like toilet paper and bath soap to keep clean. His part time income isn't enough – he works only four hours a day. His wife is limited on what jobs she can get. She has a bad back problem – she use to have a job. Husband is doing what he can by himself.

As you can see, I had only a day and a half to gather and compile this information. I am reaching out for these families. Help is needed and cannot be delayed. I cannot imagine so many in this village are in hunger, without fuel, and other essentials and uncertain about their future. What is mind boggling about the whole situation is that they have remained silent, anonymous, suffered, and cried. The four villages in this region are in close proximity to each other and the demography is the same. Is this going on in your village?

This is not the time for any debates or questions. The winter-long anomaly in the weather, conditions, and the situation are beyond our control.

There are approximately 200 households of the 847 residents here. In just a day and half, I was able to reach only 25 households. Are as many as 175 more remaining silent? In appearance, the heads of these 25 households look normal. I am devastated from the revelation of these few houses contacted. Additionally, how many of those who are able to work are without jobs? Easily, staggering 400 plus! Some other households are still calling, but I have few hours to print this report for my testimony during today's fuel summit.

Though it may sound absurd, a massive airlift of food in the months of January, February, March and April will help our people. Any peoples, churches, organizations, associations, and government agencies ought to sent money to our native corporations to offset both the current fuel prices and the airlift presently underway. For over thirty years, we have witnessed in our region that our native corporations are just like people. They have limited income and their expenses have always been high. Why? Our Wade Hampton district has always been the most economically depressed than that of our both nation and state. We are in the most remote area of our state.

To help, please call:
City of Emmonak, (907) 949-1227/1249
Emmonak Tribal Council, (907) 949-1720
Emmonak Corporation, (907) 949-1129/1315/1411
Emmonak Sacred Heart Catholic Church Pastoral Parish Council Chairman, (907) 949-1011.

To assist with offsetting heating fuel costs, call Emmonak Corporation.

For distribution of food, I would suggest Emmonak Tribal Council handle this.

Lastly, for some who do not know me, I have been advocate for this region the past thirty years in its commercial and subsistence fisheries, social issues, and socio-economic issues and our church. One of my credentials include having been an appointed by two governors as advisor to the Yukon River Salmon Treaty negotiations. The families contacted are reaching out in desperation through me and now, you.

Sincerely,

Nicholas C. Tucker, Sr.

The CHAIRMAN. Ms. Kitka, thank you very much.

A couple of questions, first for Mr. Rever and Dr. Middleton. On Indian roads, my understanding is that there is an unmet need of about $20 billion for transportation infrastructure in Indian Country. And funds are made available for Indian roads through the Department of Interior and the Department of Transportation.

Let me ask if you have a sense of how many construction and maintenance and improvement projects could the Department have ready to begin in 30 to 60 to 90 days? In other words, are there a lot of projects that are already engineered, waiting for funding?

Mr. REVER. Allow me, Mr. Chairman. The road program is very fortunate in that, typically, in the design of roads and the underlying substrata of roads, it is very easy to design roads. Bridges are a little bit more difficult. I don't have an exact answer for you on the number of projects that are ready to go to contract at the moment, but I can provide that at a later date, tomorrow, for you. But I just don't have that number in front of me at the moment.

The CHAIRMAN. I had understood it is somewhere around 900 projects. Does that sound right to you?

Mr. REVER. It is going to be something in that nature, yes, sir, but I don't have the exact number.

The CHAIRMAN. The recent Interior report noted that the unmet needs for tribal detention facilities is about $8 billion. Is that correct?

Mr. REVER. Yes, sir, that is correct.

The CHAIRMAN. Of that backlog, and all of us who have been on Indian reservations and toured these facilities, I mean, I assume most of us have seen, as I have seen a young teenager laying on the floor of the detention facilities with adults, in a facility in desperate disrepair and so on, a situation that is pretty pathetic. So there is an urgent need to address it. Of the $8 billion that is unmet as a need, what do you think in the next year or two the Department will be prepared to do?

Mr. REVER. Mr. Chairman, I think that the Department is prepared to support the Department of Justice in the administration of construction and improvement of the prior program, which currently enjoys that authority and responsibility. And that is an issue for them to answer in administering their grant program. Should that program be redirected to the Department of Interior for construction design and administration, it will take us a while, because we are behind in starting that process. We are just now developing a priority list and have yet to consult with tribes and others in coming up with a list of projects that would be high on the list.

But of all of the projects and the type of construction that you have mentioned, that will be the one that the Department of Interior would have the most difficulty bringing to fruition in a very short period of time, months instead of a year.

The CHAIRMAN. Ms. Butterfield, since 2002, the Congress has provided replacement funding for 32, I believe, Indian schools. Of the 32, 12 have now been completed, so 20 remain to be completed. You described in your testimony some of the conditions, so we don't have to review that. All of us again who have toured these schools understand the desperate disrepair that exists in some areas.

What is your sense of the priority? I described at the start of this a priority for Indian roads, Indian schools, Indian detention facilities. I have gone on with the list. Where does education rank for you, and that is repair and building of schools?

Ms. BUTTERFIELD. Of course we would rank it close to the top, if not first, simply because of the safety issues that we are talking about in terms of children and staff. And some of the magnitude of the infrastructure need the repair that we cited in the report.

The CHAIRMAN. Ms. Johnson, your assessment of the priorities?

Ms. JOHNSON-PATA. The priorities outside of education, because she spoke a little bit about the priorities there, but the energy, the access to energy credits, and to be able for us to develop, become energy developers in our community, which means the tools that are available for us. I think the tribes are ready and willing for alternative energy and other models. We make some recommendations around looking at a study on what the challenge has been, access to the energy grid.

Transportation is a big issue for us. I think they spoke about transportation. And as you note, in our document, all the links lead to the reports that we were able to actually get to what the lists were, so that we could identify ready projects, and be ready for this.

I think a couple of things for tribes, tools for us for tribes to be able to take advantage of all the infrastructure development, we talk about infrastructure between schools and sanitation facilities and health care facilities and transportation. But then in addition to that, we are looking at, tribes want to be direct funding to the tribes, so that we can actually hire, but also be contractors. Some of the challenges for that is just construction bond financing. So we even in our package look at some of those tools so that part of this BIA loan guaranty funds will actually go for some guarantees on surety bonding.

The CHAIRMAN. The issue of accountability has been described by the panelists. I think that is important as we proceed. I think, Mr. Franklin and Ms. Kitka, you have laid out in your testimony the priorities from your perspective. I think you have made some good suggestions, and I wanted to make that point. I am not going to ask further questions, because we have others here that I know want to inquire. But my purpose of having a hearing today is because while the stimulus or the economic recovery program is not complete and likely will not be complete until just prior to the President's Day recess, which I think is when we will take action, things are moving quickly. I am a subcommittee chairman on appropriations, and we are moving very rapidly to complete the Senate portion of it.

But I wanted to put on record today from your perspective, all of you, what you think the priorities are with respect to the Indian tribal governments and the Indian nation. Not for the purpose of suggesting there should be earmarks, but for the purpose of suggesting that tribal governments around this Country represent a form of government that is important, that has significant needs, so that we should not just talk about local governments, city government, State government. Let's also talk about tribal government, and when you do, you have to understand that it is the highest rate of unemployment in the Nation, it is by far the most significant area of unmet needs in law enforcement, education, roads and so many different areas.

For that reason, there needs to be a component, not earmark, but component that understands and recognizes and addresses these needs, all of which are job-creating. I am someone who believes that I want a recovery program that focuses like a laser on creating jobs. But I guarantee you, you put a road in my home county, in Hedinger County for maintenance or a new road, it is going to create jobs. No more jobs, however, than a road that you put on an Indian reservation. You hire contractors, put people to work.

That is what this recovery program should be about. And it ought to go, in my judgment, ought to focus on some of the areas of greatest need, where you can, in addition to addressing some of the greatest need, put people to work at the same time.

So my purpose in calling this hearing was simply to create the highlight of this need as we are all working to try to figure out, where does this investment go to try to promote economic recovery. So I thank all of the witnesses for giving us the opportunity to put this in that kind of a setting today, so that everybody who is working on this understands that this too is a priority.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman. It goes back to my comments in the opening about the fact that the rest of the Country is in a very difficult economic situation, with jobs and job losses. It is not a good situation. But I think many out in Indian Country are saying, well, welcome to our world, in a very harsh way. And I am not saying that it is good or it is acceptable in any way, but it is a reality that has been faced in corners of our Country for far too long, that the economic situation has been in crisis.

And yet, unemployment rates in Alaska have been sky high, and that is just the way they have been. It is not something that should accept.

Dr. Middleton, I want to ask you a question. You had the opportunity to join me when we had our field hearing in Bethel, Alaska in August. I appreciate your attendance there. I think you got a first-hand look at some of the issues that we faced, the community that you were in, the Bethel region. That is the area, the region where Emmonak is. You heard from so many that had attended that field hearing, and just the local people who were there as listeners. You heard of the crisis in the region, you were focused very specifically at that time about the high energy prices and the impact.

You have probably had some time to think a little bit more about what we might be able to do in regions like the Wade Hampton district, villages specifically like Emmonak. Ms. Kitka has also introduced into the record a further update on the crisis that we are facing right now. When it hits the front page of the Anchorage Daily News, it is getting folks' attention.

Do you have any other ideas about not only what a community like Emmonak can do, very remotely located, 800 people, it is small, but what we can be doing further in the area of energy to help these people stay in the village that they want to stay in? And then a second question to you, I don't know if you are the right person to take this, but you are here today. So if you are not the one to answer it, I would like you to help me find somebody who is.

We have an Alaska Native village governed by a federally-recognized tribe. The community is facing a critical and immediate food crisis. Does the BIA have any authority to help alleviate the crisis? Is there any Federal agency that has the authority to step in? My office has been talking with USDA, with some of the other agencies. But I would like to know if there is any way that you all can assist in this very immediate crisis. And again, if you don't have the answer to that, I would like to know somebody that might be able to help us out.

So if you can answer those, please.

Dr. MIDDLETON. Yes, Senator, thank you so much. I will address the second question first. I actually do not have the answer to that, but I will go back immediately and speak with the Assistant Secretary of Indian Affairs, as well as the Director of the BIA. And we will find an answer for you quickly, because it needs to be done quickly. So I would like to the opportunity to take that back and get back in touch with you.

Yes, you are exactly right. Alaska is in a very unusual situation for energy. A lot of people don't realize it, that there is no grid to speak of up there. You have grids in the Anchorage, Juneau and Fairbanks area. But in the outlying villages, they rely upon locally-generated electricity resources, and most of it via diesel. The solution really is for us, and diesel, local diesel generation is going to be expensive in Alaska, and it is always going to be a gamble, as you mentioned. They were prepared to get a barge that would have carried them through the winter time, but it didn't show up. Or if they had miscalculated and a barge had come in, they would be in the same situation.

So we need to be able to find alternative energy resources that we can take advantage of in these areas. Obviously there are some of the villages up there who could take advantage of geothermal resources, because there are some geothermal resources up there. Some may have hydro for some of the areas that don't ice up totally, and wind energy. But there is always going to be somewhat of a reliance on that base energy resource of diesel until we have other technologies that we can bring to bear that would help eliminate the need for as much diesel generation as occurs up there.

Senator MURKOWSKI. Let me ask you, Ms. Johnson, because you kind of spoke to some of the financing options. We have the resources, whether they be geothermal, wind or ocean energy or energy from the river, biomass, we have it all. But in order to allow for the technologies to be cost efficient in small villages, it is very difficult.

Some of the funding mechanisms that you mentioned in talking about renewable energy projects and being part of this economic stimulus package, you said that some of the funding mechanisms are in place. Are we having much luck with the tribes, and this is not just with Alaska, this is throughout the Country, in funding energy development projects with the private sector, commercial credit markets? How is that all coming together?

Ms. JOHNSON-PATA. Well, I think we have some challenges. First of all, the list goes on, but first of all, we have an office in the Department of Energy that has been under-utilized and underfunded.

Senator MURKOWSKI. Is it staffed?

Ms. JOHNSON-PATA. It is staffed with someone who shares a hat with another position currently. I think if you have a full-time person there, that is the beginning.

But secondly I think also, the technical, because part of that is the technical assistance that is necessary to be able to help the tribes, not only to help them ferret out a deal to work with the private sector, but also the tools to get the private sector engaged, being able to have access to the energy tax credits, to be able to use that as a leveraged part of the deal, to be able to deal with some of the things that we are talking about with the past projects of accelerated depreciation. The point when you negotiate, are able to determine where there is a point of contract or whether you actually have the job, so you can negotiate some of those benefits.

Being able to have the bonding capacity, because we are talking about large scale projects now. So we need to be able to have the guaranty funding available to be able to help with those projects. And I think just really, and then of course we still have some issues I think with the TARA that we need to resolve a little bit, which allowed for the tribes to develop their own regulatory kind of process, approval process for these projects.

So we have a list of those, in addition to the challenges of access to the energy grid. I have to say, in forward thinking, thinking about some of the things that Julie brought up, the challenges that this Country is going to be really defining is energy corridors. And we want to be able to make sure that we have capable, competent people who know our challenges, to be able to sit at the table, to be able to make sure that we are representing Indian Country well, so those court orders don't get developed and exclude or bypass Indian Country, as we have seen in other developments, whether they be cell tower placements or just railroad stations.

And so we want to be able to make sure that all those pieces are there. I think Indian Country is ready and wiling. We need to be able to have both Department of Energy and Department of Interior working in collaboration together, having the right kind of technical support and staffing. Tribes are ready and willing, and we have the resources. There is no doubt about it.

Senator MURKOWSKI. Mr. Chairman, I have a couple more questions, but in deference to my colleagues, the clock is on running, so I don't know how long I have been talking.

Dr. MIDDLETON. Senator Murkowski, if I could mention, we actually received an answer that we think the emergency provisions of the general assistance program could be a mechanism available. We have folks looking into it right now, and we will get back to you as soon as we can.

The CHAIRMAN. Thank you.

Senator TESTER.

Senator TESTER. Thank you, Mr. Chairman. It was two years ago that the large land-based tribes had a meeting that I was at. One of the first questions I asked them was, what are your needs. And it didn't take long, 15 or 20 or 30 minutes, when I said, hold it, you are going to have to prioritize. Because there are too many. And in fact, they did, and I commend them for that.

But I think in this recovery bill that we are dealing with, I think we can do a lot of things to make giant leaps forward to address some of the needs in Indian Country, and hopefully in the end that will be done. The Chairman talked about infrastructure, and I couldn't agree more. I know you folks agree also, it is critically important, and it is an opportunity to do some things and do some things right.

Dr. Middleton, you talked about assessment of the justice system requirements. I believe it was you that talked about that, or was it Mr. Rever?

Dr. MIDDLETON. Jack Rever.

Senator TESTER. My apologies. Has there been an assessment, I am just curious, an assessment done on the shortfall in the number of people infrastructure, the cops on the street? Has there been an assessment of that? The Chairman talked about the $8 billion shortfall in prisons. Has there been anything talked about by the people who are involved?

Mr. REVER. Yes, Senator, there has. As one would suspect, it shows a significant shortfall in the per capita distribution of policemen on the street in Indian Country as compared to the rest of the Nation.

Senator TESTER. Do you recall how big a shortfall that was?

Mr. REVER. I do not in specific numbers, but can get it to you very quickly.

Senator TESTER. I would love that.

Jackie, you talked about the Mississippi Choctaw. From your testimony, I gather we are not doing well, and now they are doing reasonably well, or as well as anybody. What did they do? What did they invest in to pull themselves up to a point where they could be the second largest employer in Mississippi?

Ms. JOHNSON-PATA. They invested in the infrastructure early on. One of the first things that they did was the strip mall that they had there. They collaborated with the governments as governments. If you have ever watched their video, it is really pretty interesting. But the way that they knew that was a longer term strategy, they had a longer term strategy, they worked hard on collaborating with the governments, and they developed infrastructure. Now if you look even in the expansion of their projects, you can see everything still was, they still are very conscientious of being responsible for infrastructure development and business development with the capacity of building their tribal members. Not so that the tribe owned them all, but they created an entrepreneurial environment too, in addition to the tribal businesses that were there.

Senator TESTER. How long did it take, once they made that?

Ms. JOHNSON-PATA. I think it was at least a 20-year investment. I think they are now at 30, 40 years. But it was a 20-year investment before they started to see some recovery.

Senator TESTER. So you are talking about economic recovery?

Ms. JOHNSON-PATA. Talking about economic recovery, yes.

Senator TESTER. Robin, you talked about education needs. I am particularly interested in technology infrastructure. I know it is lacking. And I think it is a priority to move forward with it. The goals of connectivity are big, and they are big challenges. Could you tell me what efforts are out there right now to support the goals of better connectivity as far as technological infrastructure goes?

Ms. BUTTERFIELD. Actually, I don't have the specifics on that. But I concur, it is huge in Indian Country. It has been a long time coming in terms of updating our classrooms and the skills of our schools because of their rural nature. So we can find that information for you.

Senator TESTER. That is good. When it comes to health care, and I appreciate the information that you gave us, Mr. Franklin, could you address the urban Indian health clinic situation? I know we requested $1.2 billion in the recovery package. What would you anticipate would be used, and I don't want to take any focus off of what is going on in Indian Country, but from an urban health care standpoint, those urban clinics?

Mr. FRANKLIN. I don't have those numbers, sir, but I can certainly get them to you.

Senator TESTER. I am thinking more, you don't have to give me numbers, that is fine, I am thinking about your vision. How important are those urban health care centers? Are they as high a priority? Less of a priority? From your perspective, just your perspective.

Mr. FRANKLIN. I would think that from my perspective, sir, Indians are Indians, no matter where we are. So whether or not they are in the cities or on the reservations, they have the same rights to health care that any one of us would. So those urban clinics, they serve a very important purpose for our urban communities. Not just in health care, also for meeting places and creating healthy Indian families in urban environments is a challenge when you take our tribal members off of their traditional lands and put them in urban settings. Maintaining that connectivity to being Indian people, our urban clinics are very important. They serve multiple roles, including that healthy family.

Senator TESTER. Very good.

Ms. Kitka, you talked about, you all did, actually, want to have a place at the table to help drive the economy forward, that you have solutions to do that. This is just a comment, more than a question. I couldn't agree more. I think that not only, if we invest in infrastructure in Indian Country, not only will it help Indian Country, it is going to help everybody. You guys can be a major, major driver in this turnaround. Hopefully, when all is said and done, we will be able to do more than we say.

Thank you very much.

The CHAIRMAN. Senator Begich, our new Senator is here. By the way, I was just hoping that Senator Begich, when this is completely evaluated in terms of Committee assignments, that you might be on the list to join this Committee. Would either of you have questions that you would like to inquire?

Senator BEGICH. Mr. Chairman, I like your style compared to Armed Services, because the clock never moves. So I like it.

[Laughter.]

Senator BEGICH. Don't worry.

I just have one question. I may have missed something at the beginning, Mr. Chairman. Thank you for the courtesy to be here and to be able to ask a quick question. Someone may have asked this already or answered this, in regard to elder housing, senior housing infrastructure needs. If they answered that, that is fine, I will get it later. But maybe someone could comment on what the needs might be with regard to senior housing, elder housing. I know we recognize it in Alaska as a growing concern. I don't know if anyone would be the appropriate person, whether it is Julie or Jackie.

Ms. JOHNSON-PATA. I might be able to answer that, thank you.

Housing needs in Indian Country are just as great. And with the growing aging population we are really starting to see an increase in the need for senior housing. It has been very difficult in our reservations and our small communities in rural Alaska to be able to have housing that is designated for our seniors or our elders and to be able to make it cost efficient

One of the challenges, and we have been able through agriculture programs and NAHASDA to be able to provide some of that housing. But what we haven't been able to do is actually provide any in-home care, or to be able to find the next level of care facilities, so that our elders can actually stay within our communities when they do need a little bit of care in their housing facilities. I think that is an area that we really need to focus on.

In addition to that, regarding economic stimulus, one of the areas that I find challenging is that we don't have access to the weatherization programs. And many of our elders really need that weatherization program to be able to deal with the affordability issues. So when we look at that, we look at additional dollars to the HIP program, which is a BIA program, which I understand there are some issues about the Department of Interior trying to RIF those employees as of March.

But what we are trying to say is that this is a viable program for delivery of services, and primarily does go to our elders. It is a program that actually deals with our weatherization issues. In the Department of Energy, although we are eligible, we have not received funds from the Energy program for weatherization. That is another area we should look at when we look at the stimulus and the impacts that are happening to Indian Country.

The CHAIRMAN. And I should have called on you first, Senator Udall, do you have inquiry?

Senator UDALL. That is fine, I want to defer to my young colleague here.

[Laughter.]

Senator UDALL. Thank you very much for letting us participate, both of you. I know that we aren't officially on the Committee yet, and I really very much hope to be in this Committee, because it is such an important committee to the Nation and to New Mexico and many of our States with significant Native American populations.

The thing that the Chairman pointed out that I think it significant is when we talk about billions of dollars of backlog, and you mentioned $20 billion of backlog in terms of roads and bridges, it isn't just this area, it is every area that we have these backlogs. We have it in schools, we have it in housing. We have it across Indian Country. It is such a big piece, it is such a big amount that you can't do it in one year.

I just wonder, we are going to have to start thinking, in this next Administration, like the Clinton Administration did, of a plan for getting rid of the backlog. We may not be able to do it in one year, but boy, maybe we can do it in four years and have a specific plan to do that.

So I hope that all of us think of a way to move forward dramatically. Jackie, your testimony highlighted that, and I think everyone, when Ms. Kitka, you talked about a Marshall Plan. We need to look specifically at how we really weigh in, in a big way to remedy the situation that we have right now. I would just open it up, if any of you have any comments on that, or if you have given any thought at Interior along that line.

Thank you very much, Mr. Chairman, Ranking Member.

Ms. KITKA. Senator Udall, through the Chair, I did, in thinking about other models that are going on, and I spent a lot of time kind of studying what some of the wealthiest countries in the world are doing. For example, in Saudi Arabia, when they look at their populations, and they look at this growing, young male population and the need to create jobs for them, what they have done is they have created and set as a national goal what they are calling economic cities. They have six major economic cities that they are planning and putting their wealth behind, with the specific purpose of creating jobs and diversifying off of just being oil.

I think that we need to look at some of these leading models that are out there. I describe it as creating economic villages. Model ones, communities for the future that have diversified economies, but they are consciously designed for economic purposes and putting all their energies together to make them a success. That is what I am hoping in this economic recovery that we can do, is we can look at our reservations, we can look at our rural communities and say, this is where we want to be 10 years from now, what can we put into place that will accomplish that and look at some of these models.

Ms. JOHNSON-PATA. If I could just add to that, when we were looking at this and we wanted to make sure that we weren't dealing with issues of backlog as far as us delivering, and wanted to make sure that we got the money spent, and it was accountable, and when money goes directly to the tribes, we actually get the projects on the ground faster. So there is, even when we look at the transportation programs and other programs, when you see any kind of a backlog in the Government, it is usually because of the review process, and maybe some design or engineering that is being provided actually by the departments themselves.

I think that, and our recommendation is, as much as possible we want the money to go directly to the tribes, we don't want the Government to be a barrier. We believe that the money can get expended and the projects, as we noted, the projects are designed, ready to go. We can get those done and out the door faster.

The CHAIRMAN. Well, let me thank the witnesses. As I indicated previously, I think putting on the record today in this setting the needs, particularly the unmet needs on Indian reservations at a time when this Country appears prepared to make very substantial investment in infrastructure for the purpose of creating new jobs, I think this is a very fertile area for that kind of investment and the creation of jobs, and represents one of the great unmet needs in our Country.

So let me thank all of you for coming to the hearing, and this hearing is now adjourned.

[Whereupon, at 3:55 p.m., the Committee was adjourned.]

APPENDIX

The information printed on pages 57–93 was attached to several letters and prepared statements in this appendix.

Indian Country Economic Recovery Plan

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NATIONAL
CONGRESS
OF AMERICAN
INDIANS

Native American communities, whose infrastructure and economies are supported by Indian tribal governments, must be directly included in the upcoming economic recovery plan. Native American communities have the highest unemployment rates in the entire country and tribal governments have long had difficulty accessing and attracting capital to serve their citizen's needs. To resolve these barriers to economic prosperity, NCAI, in collaboration with tribal government and organization partners, developed the Indian Country Economic Recovery Plan that includes ready-to-fund infrastructure projects and eases tribal government access to capital.

Targeted ready-to-fund federal infrastructure spending, along with measures removing barriers to governmental access to credit and capital, would offer a viable opportunity for immediate job creation in Native American communities throughout the United States[i]. In order to capitalize on this opportunity, Congress needs to incorporate key Indian Country perspectives in addressing: **(1) Infrastructure Spending** and, **(2) Access to Credit & Capital** into any economic stimulus package.

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1. INFRASTRUCTURE PROGRAMS

A. RESERVATION ROADS AND TRANSPORTATION INFRASTRUCTURE

Request:	$310 Million - Indian Reservation Roads Program – New Roads and Transportation Infrastructure Projects. (DOI/DOT) $258 Million - BIA Road and Transportation Infrastructure Maintenance Projects (DOT) $36 Million – Tribal Transit Grant Program
Jobs:	21,500 jobs created[ii]

Tribal governments and the Native American communities they support should be included as eligible recipients for transportation new construction and maintenance. Inclusion would create a large number of immediate jobs, contracting opportunities, and related procurement. Funding would also help to save lives by improving road safety among a population with the highest transportation accident rates.[iii]

According to BIA officials, tribal communities have an unmet immediate need of well over $258 million in maintenance funding for roads and bridges and $310 million in unmet new roads and bridges projects. These projects will immediately create over 21,500 jobs and will inject a much-needed stimulus into the Native American economy.

The Tribal Transit Grant Program has been highly successful in its early years. However, the funding awarded has not met the transit needs for tribal communities. Funding for transit projects not only creates immediate jobs and contracting opportunities, but will also improve citizen participation in the economic system. According to the Federal Transit Administration (FTA), applicants for FY2006 and FY2008 a total of $66 million was requested with $30 million funded. We are requesting the $36 million in unfunded need for tribal transit.

Appendices:

1. Ready List – Indian Reservation Roads Programs
2. Statement of BIA Transportation Maintenance Need
3. "Creating Jobs, Saving Lives and Money Through Emergency Funding for Transportation Infrastructure Maintenance in Indian Country"
4. "Creating Jobs, Injecting Money into the Economy, and Saving Lives Through Funding for Immediate Road Construction Projects (November 2008)
5. Creating Jobs and Improving Access to Jobs, Healthcare, Education and Necessary Services Through Funding for the Tribal Transit Grant Program
6. Transit Grants – 2006-2008 Completed Assessments List
7. Native American Transit: Current Practices, Needs and Barriers

B. 21ST CENTURY GREEN SCHOOLS REHABILITATION AND CONSTRUCTION

Request: $143 Million BIE School Renovation and Ready Construction
$62.4 Million Technology Upgrades

Jobs: 1,500 jobs created

The Bureau of Indian Education (BIE) oversees 4,995 education buildings. Half of these are more than 30 years old and more than 20 percent are older than 50 years[iv]. Although education construction has improved dramatically over the last few years, the deferred maintenance backlog is still estimated to be over $500 million and increases annually by $56.5 million. New schools on Indian reservations should be a model for energy efficiency including the use of alternative energy to meet their ongoing energy needs.

These dollars are desperately needed in Indian Country. As recently as May 2007 the Office of Inspector General[v] (OIG) found that the BIE schools required immediate action to protect the health and safety of children and faculty. According to the report, the BIE's construction priority list includes 69 of its schools - or 83%. These schools, according to the OIG, face critical health and safety violations, including schools with outdated electrical systems, inadequate fire detection, and improperly maintained furnaces. The report stated that if these conditions were not immediately addressed, there was the potential for serious injury or death to the students.

According to the BIE, the funding needed in 2009 to meet total education construction needs is $143 million. Schools are also in need of technological upgrades to bring them into the 21st century learning environment. We are requesting an additional $62.4 million for technology upgrades in 25% of the schools, those in most need.

Appendices:
1. U.S. Department of Interior, Office of Inspector General Flash Report. 2007. Bureau of Indian Affairs, Bureau of Indian Education: Schools in Need of Immediate Action
2. U.S. Government Accountability Office, 1997. Reported Condition and Costs to Repair Schools Funded by the Bureau of Indian Affairs

C. CLEAN WATER, WASTE TREATMENT, WATER PROJECT SYSTEMS AND IRRIGATION INFRASTRUCTURE

Request: $700 Million in IHS/HHS Water and Waste Infrastructure Project Funding
$200 Million Bureau of Reclamation Water And Related Resources including Funding (Tribal Inclusion of at least $58 Million) for Authorized Rural Water Systems Projects.
$130 Million Construction-Ready BIA Irrigation Projects
$7.7 Million Construction- Ready DOI/Bureau of Reclamation Irrigation Projects

Water and Waste Infrastructure Projects - Tribes have a tremendous need for funding under the Clean Water and Drinking Water State Revolving Funds, as over 13% of tribal homes lack access to safe drinking water and sanitation infrastructure, compared to less than 1% of homes nationwide. According to the Indian Health Service, over 36,000 tribal homes lack potable water.

Due to the evident need and comparative inequities, tribes have long advocated for a substantial increase in project funds through new SRF allocation formulas based on actual need. According to the Indian Health Service's (IHS) 2008 Sanitary Deficiency Service (SDS) Database for 2008, tribal water and sewer infrastructure needs a total of nearly $2.4 billion with half of the need ($1.2 billion) defined as economically feasible projects. Feasibility is based on the ability to provide piped in service. Projects at the top of the list are the most ready-to-go with those at the end of the list less so. We are requesting $600 million to fund the most ready projects to reduce tribal lack of access by 50 percent, which is a stated national commitment.

An additional $100 million is being requested to conduct feasibility studies for the remainder of the ready list as well as those considered economically infeasible which includes many tribes that have the highest water deficiency levels (4 and 5 - with 5 as the most deficient). NCAI also urges IHS to revisit the definition of homes, as some tribal homes, such as some pre-HUD homes, are not identified as such, and thus cannot be counted as homes lacking access under current criteria[vi].

Bureau of Reclamation Tribal Rural Water Project System Infrastructure - Potable rural water projects authorized for evaluation, study and construction under the US Bureau of Reclamation (USBR) impact a substantial portion of Indian country in the west. There are five USBR rural water projects which will serve Indian tribes that have specific Congressional authorization and are under construction (and could use USBR funding under the economic stimulus immediately). There are additional tribal rural water systems listed below which have received funding in previous years for USBR feasibility studies and related activities, which would affect in total 28.3 million acres of Indian reservation and trust lands in six states intended to serve approximately 365,000 tribal citizens of 13 federally recognized Indian tribes. These water infrastructure projects will both create much-needed jobs and provide reliable, safe, and essential drinking water to the most remote, rural, and economically depressed areas of Indian Country.

The Reid/Byrd Economic Recovery Act of 2008 (S. 3689), introduced on November 18, included $200 million for USBR management, development, and restoration of water and related natural resources and for related activities, including the operation, maintenance, rehabilitation, and modification of reclamation and other facilities. This includes improvements or modification to provide environmental benefit, participation in fulfilling related federal responsibilities to Native Americans, and related grants and cooperative and other agreements with state and local governments and federally-recognized Indian tribes. In addition, the bill included not less than $50 million for Rural Water Supply Projects and focused on water treatment and intake facilities[vii]. The language also set forth criteria that: the funds: may only be used for programs, projects, or activities previously funded; be used for elements of projects, programs, or activities that can be completed within these funding amounts; and may not create budgetary obligations in future fiscal years. There are currently five USBR Rural Water Supply Projects which will serve Indian tribes that have specific Congressional authorization,[viii] are under construction, and could use USBR funding under the economic stimulus immediately.

Indian Irrigation Project Construction - The federal government provides funding for the construction of Indian irrigation projects as part of the government's responsibility to foster agricultural opportunities and economic development in Indian country and surrounding areas. Both the Bureau of Indian Affairs (BIA) and the USBR oversee construction of Indian irrigation projects, with the majority of projects falling under the authority of the BIA.

The President's FY 2009 budget reports that BIA Indian irrigation projects produce over $300 million in crop revenues annually. Several authorized Indian irrigation projects have fully designed and construction-ready components. According to information received from BIA officials, $130 million is required to complete the construction-ready components of BIA Indian irrigation projects. According to information received from USBR and tribal water officials, at least $7.7 million in funding is required to complete construction-ready components of BIA/USBR Indian irrigation projects. USBR oversees Indian irrigation projects that are the result of certain water settlements or other special authorizing legislation. The attached table provides a list of the BIA and USBR projects.[ix]

Appendices:

1. IHS Water and Waste Funding Need

2. "Strategies for Increasing Access to Safe Drinking Water and Wastewater Treatment to American Indian and Alaska Native Homes," Infrastructure Task Force Access Subgroup
3. Table of Construction-Ready USBR Tribal Water Projects with Background and Jobs Creation Served By Investing in Indian Country
4. Tables of Construction Ready BIA and USBR Irrigation Projects
5. Excerpts from FY 2009 Interior's Indian Affairs "Green Book" on Indian Irrigation Projects
6. GAO Report, "Indian Irrigation Projects", February 2006
7. Interagency MOU – Meeting Water and Waste Needs in Native American Communities

D. ENERGY INDEPENDENCE DEVELOPMENT, EFFICIENCY AND RELIABILITY PROGRAM

Request: $15 Million - Renewable Energy on Tribal Lands Program, DOE
10% Set-Aside for Energy Efficiency Programs, DOE
Waiver of Cost Share – Energy Efficiency Programs, DOE

Renewable Energy Development - The U.S Department of Energy (DOE) estimates that the wind resources of the Great Plains could meet about 75% of the electricity demand in the lower 48 states. Estimates of the wind resources within the boundaries of just 12 Indian reservations in North and South Dakota indicate a potential in excess of 250 gigawatts of power - a more than 100-fold increase over the existing power capacity now available from all of the hydropower dams on the main stem of the Missouri River.[x] Wind energy potential on tribal lands alone can meet at least 15-20% of the nation's energy needs, and solar electric potential on tribal lands is 4.5 times greater than total U.S. electrical generation in 2004. As such, the federal government should dedicate much greater technical assistance and financing to bringing tribal wind, solar, and other green energy projects online.

Renewable energy projects generated on Indian reservations provide environmental, economic, energy, and public health benefits to tribal governments and peoples, surrounding communities, the nation, and the world. These projects are particularly valuable when some tribes in these areas provide few job opportunities and experience unemployment rates greater than 40%. In light of tribal circumstances and the clear multiple benefits, NCAI recommends that the federal program most responsible for bringing renewable energy projects to tribal lands – DOE's Energy Efficiency and Renewable Energy's Tribal Energy Program – receive a significant increase in funding, which would in turn be provided to tribes. The program promotes tribal energy sufficiency, economic development, and employment on tribal lands through feasibility studies and demonstration projects in renewable energy and energy efficiency technologies such as wind, solar, and biomass.

The program has funded 91 tribal energy projects totaling $14.1 million from 2002 to 2007. This year, 10 of 50 applicants were funded, and the program office has a list of the unfunded projects that are ready to go. NCAI recommends that the existing budget be multiplied five- fold, to approximately $15 million per year. NCAI also recommends, consistent with Section 6 of E.O. 13175, that the program establish criteria permitting reductions or waivers of the tribal cost share.

Energy Efficiency - The Department of Energy has been providing 15 years of federal assistance to states and local governments to improve the energy efficiency provisions of buildings codes under the Energy Conservation and Production Act. The 2005 Act authorizes appropriation of $25 million per year for this program, including $500,000 for training state and local government officials. This pattern of federal assistance has overlooked the fact that tribal governments also have the authority to enact and implement building codes for buildings on lands within their jurisdiction. However, tribal governments have been left out of this federal assistance program.[xi] Tribes should be included as eligible recipients for funds under this Act, and in light of the historical omission, be provided a 10% set-aside to be reconsidered at the end of 5 years. This funding is critical for the development of tribal ordinances that result in energy efficiency.

E. HEALTH FACILITIES AND TREATMENT CENTER MODERNIZATION AND CONSTRUCTION

Request: $370 Million - Indian Health Service Facilities Ready Construction, HHS

For most Indian people, Indian Health Service (IHS) supported programs are the only source of healthcare. Unfortunately, these vital services are constrained by the limited capacity of existing IHS and tribal healthcare facilities. Many facilities are severely overcrowded, and IHS does not have sufficient resources to address the ongoing need for expansion as well as the daily operation and maintenance needs of its 700 facilities and 2,200 staff quarters.

According to IHS, the cost associated with the ready list for construction and maintenance of its facilities is $370 million. The requested amount will allow IHS to replace its priority healthcare facilities with modern facilities and to significantly expand capacity at its most overcrowded sites.

Appendices:

1. Indian Health Service, Indian Healthcare Facilities FY 2010 Planned Construction Budget
2. Ready List - Healthcare Facilities List
3. Healthcare Priority Methodology

F. TELECOMMUNICATIONS ACCESS AND EMERGENCY MANAGEMENT INFRASTRUCTURE

Request:	$17.5 Million – Geographic Information Systems, DHS, FEMA
	$195 million – Emergency Management Interoperable Connections, DHS
	$ 7.77 Million – Public Communications
	Inclusion – Broadband Access

Communications infrastructure is an essential component of achieving safe, healthy, and economically viable communities. Eligibility and funding of broadband, telephony, and broadcast communications systems is the critical backbone to securing a strong economy in addition to enhancing quality of life. Tribal communities were identified several years ago as having severely limited telecommunications and information technology capacity. Broadband and emergency infrastructures are vital to our economic health and preparedness.

Emergency Management - Tribal emergency management and homeland security programs are vital for the safety of tribal and surrounding communities. Tribal government responders will be the first responders, and in many geographical instances the sole response organizations, to assist Native and non-Native populations in ordinary and catastrophic emergency situations. Tribes need to be included as proportionate recipients of broadband, wireless, and emergency management funding to address the telecommunications need.

Tribal Emergency Management & Homeland Security - State of the art communications systems in Indian country include hardware, software, and operational staff for computer-aided dispatch systems, integrated and interoperable communications systems, automated alert, notification and warning systems, Geographic Information Systems, and emergency management systems.

Geographic Information System (GIS) Enhancement - GIS can capture, store, analyze, manage, and present data regarding a specific location and is the most powerful visual communication tool available. As effective as GIS may be, it has not been utilized throughout Indian country due to funding and human resource constraints. We are requesting $17.5 million set-aside funding for 100 tribes for geospatial technology planning grants through the Department of Homeland Security–Federal Emergency Management Agency's Pre-disaster Mitigation Program.[xii]

Tribes need state-of-the-art radio communications systems that can be integrated with existing and future local and state communications networks. These systems must include trunking capabilities and be Project 25 compatible. Tribes need $195 million of first-year funding set aside for 100 tribal governments.[xiii]

Public Communications - Thirty-three public radio stations are currently licensed to tribal governments, tribal community colleges, and tribal foundations, with all but one located on tribal lands. Twenty-nine additional stations are in the process of coming online, and two will be operational in 2009. Hardware (towers and transmitters) is funded through the Department of Commerce National Telecommunication Information Administration. These vital links to Indian country are in need desperate of infrastructure repair and enhancement.

In emergency situations stations serve as tribal community lifelines by delivering emergency alerts and advisories. In emergency situations they can be faced with critical shortages, including backup generators, staffing and emergency funding of utilities to operate. Funding should be made available to the 35 stations to ensure emergency broadcasting to tribal communities. Tribes need $7.77 million for 35 tribal community radio stations that will be operational in 2009.[xiv]

G. PUBLIC SAFETY INFRASTRUCTURE

Request: $1.68 Billion - Detention Center, Police and Courthouse Rehabilitation and Ready Construction, DOI, BIA, DOJ

There are currently 82 detention facilities in Indian country located on 57 reservations. Twenty-seven of those 82 facilities are used to detain juveniles. Sixty-two of the jails are operated by tribal governments, while 20 are operated by the BIA. Most of the facilities were constructed 30-40 years ago.[xv] The problems and challenges with tribal and BIA detention have been well-documented. A 2004 report by the Office of Inspector General at the Department of Interior concluded that jails run by the Bureau of Indian Affairs are "egregiously unsafe, unsanitary, and a hazard to both inmates and staff alike."[xvi] The report went on to conclude that the "BIA's detention program is riddled with problems . . . and is a national disgrace."[xvii]

A Bureau of Indian Affairs report released in 2008 confirmed an $8.4 billion backlog to bring tribal and federal detention centers in Indian Country up to current standards and to relieve overcrowding of as much as 150 percent at peak periods. The report concluded that over 90% of the detention facilities in Indian Country need to be replaced or extensively repaired and concluded that the lack of adequate facilities coupled with limited enforcement officers and prosecutions has led to a severe public safety risk on reservations. To begin addressing this public safety risk, we are requesting $840 million in immediate funding for detention - 10% of the overall detention center need along with an additional 10% in funding to include dilapidated and unsafe police and court facilities.

Appendices:

1. Tribal Justice Falls $8.4 Billion Short
2. Master Plan for Justice Services in Indian Country, Year 2007 to Year 2017, GSA

H. HOUSING RELIEF REHABILITATION AND CONSTRUCTION PROGRAM

Request: $966 Million - Native American Housing Rehabilitation and Ready Construction, HUD

Jobs: 4,180 jobs created

Native Americans face some of the worst housing and living conditions in the United States. Housing, related infrastructure, and reliable utilities are needed immediately in Indian country. Barriers to housing development in Indian communities include the lack of significant private investment opportunities, low functioning housing markets, and poverty.

According to the 2004 "Housing and Economic Development in Indian Country Challenges and Opportunity" report conducted by the Center for Urban Policy Research at Rutgers University, 23.3 % of Indian households pay 30% percent or more of household income for housing.[xviii] Indian homes also frequently lack utilities and infrastructure. According to the 2000 Census, approximately 14.2% of Indian homes have no electricity; 11.7% lack complete plumbing; 11% lack kitchen facilities; and 32.1% lack telephone service. Retrofitting homes is an activity that can take place immediately and be completed within 12 months. This activity would significantly extend the life of homes throughout Indian country.

We estimate that 60,000 homes are being maintained by Native American housing programs and are of an age where retrofitting might be needed. We estimate that 70 percent of these homes are in need of retrofitting (windows, insulation, efficient furnaces/air, elder/handicap conversion, etc.). Therefore, 42,000 homes are in need of retrofitting. With an estimated retrofitting cost of $23,000 per unit, the total amount of funds that could be expended in 12 months is $966 million. The most efficient means to distribute the funding is through the existing Native American Housing Assistance and Self-Determination Act (NAHASDA) allocation formula that is administered by HUD.

There are 380 NAHASDA recipients- tribal governments and tribally-designated housing authorities. We estimate that an average number of 11 jobs will be created per housing program, which results to 4,180 new jobs for Native American housing programs. An untold number of jobs will be created at other companies through the purchase of new windows, insulation, furnaces, lumber, and other building products.

I. INDIAN LAND CONSOLIDATION PROGRAM

Request: $400 Million – Tribal Lands Consolidation for Economic Production, DOI

The Bureau of Indian Affairs has proposed very significant funding for the Indian Land Consolidation Program to stimulate reservation economies, and NCAI strongly agrees with this proposal. Although it is not a traditional infrastructure program, it is even more fundamental to stimulating reservation economies. Over 5 million acres of Indian owned land is locked up in unproductive status because the ownership of each tract is divided among dozens, hundreds, or thousands of owners. Economic activity on these lands has become impossible because of the inability to gain the consent of the owners. Consolidation of these tracts into tribal ownership results in immediate economic gains by putting the land into productive use - largely in timber and agricultural production, but also in creating new opportunities for commercial development and tribal government construction.

The Indian Land Consolidation Program has both short-term and long-term beneficial impacts on the economy, on the tribes, and on the federal government. First, the Program is able to purchase lands and disburse funds within a six week timeframe. The average payment to each Indian landowner is approximately $3000, which, because of low income levels, quickly goes into circulation in reservation and surrounding economies. Second, the consolidated lands are immediately available for agriculture, timber sales, and other activities that produce jobs and income on the reservations. The importance of job creation on reservations cannot be overstated. Third, the Program is leveraged. The last four years of experience have shown surprisingly high rates of return on consolidated lands, and this income is under a lien and returned into the program for consolidation of more lands. Fourth, there is no program which will do more to solve the long-term trust management problems at the Department of Interior.

Land consolidation is critical for addressing trust management problems created by fractionation. Over 4 million ownership interests in 130,000 tracts of land have created a title, management, and accounting nightmare for the federal government and enormous difficulties for Indian land owners in putting land to economic use. Land consolidation improves federal administration and management, and saves substantial federal dollars that currently go to tracking tiny land interests. The investment in land consolidation will do more to save on future trust administration costs than any other item in the trust budget. Land ownership and land tenure is the fundamental infrastructure of reservation economies. The Bureau of Indian Affairs has estimated the consolidation program at $700 billion. To begin addressing land consolidation, we are requesting $400 million in immediate funding, 10% of the overall need.

2. TRIBAL GOVERNMENT ACCESS TO CAPITAL

It is important to recognize in this economic crisis that access to capital for tribal governments has consistently been impeded by federal rules and regulations, as well as economic factors. Minor legislative adjustments would put tribal governments on par with state and local governments and free up access to capital markets for tribal communities.

A. ACCESS TO THE PUBLIC DEBT MARKETS – TRIBAL TAX -EXEMPT BOND FIX

Fixing the federal tax-exempt bond rules applicable to tribal governments would leverage any infrastructure spending by the federal government, thereby increasing the reach of the Economic Stimulus package and reducing the burden to the taxpayer through complementary tribal financing. Like state and local governments, tribal governments need to issue tax-exempt bonds for a variety of purposes, including infrastructure and economic development activities. In fact, tribal governments that lack a tax base (as many do) have an even greater need to finance revenue-generating projects in order to fund and deliver much-needed government services to their citizens.

A consensus proposal to fix the federal tax-exempt bond rules can be found in legislation introduced by Senators Max Baucus and Gordon Smith in the Senate and by Congressmen Xavier Becerra and Devin Nunes in the House. The Tribal Government Tax-Exempt Bond Parity Act (S. 1850/H.R. 3164) would indirectly, but effectively address fundamental infrastructure and community development needs for tribes. Passage of the legislation would go a long way to allow tribal governments to build self-sufficient local economies, serve fundamental citizen needs, and create healthy and safe communities.

Yet due to federal tax and securities rules, tribal governments find it both difficult and more expensive to finance government functions and economic development projects. There is no reason why Indian tribal governments should be paying more to provide for their citizens than other governments do.

B. TRIBAL USE OF PROJECT FUNDS FOR DEBT - ALLOWABLE COST FIX

Clarification for tribal use of appropriations for related interest expenses is needed. This would give tribes more flexibility for financing existing infrastructure projects in a similar manner as states. Section 450j-1(k) of Chapter 25 of the U.S. Code should be amended by adding the following language to the existing statute: "Interest payments, retirement of principal, costs of issuance, and costs of insurance or similar credit support for a debt financing instrument, the proceeds of which are used to support a contracted construction project."

C. ACCESS TO TRIBAL FUNDING PARTNERS – SEC ACCREDITED INVESTOR FIX

Successful tribes want to invest in the development of other tribes. However, the current definition in the Securities and Exchange Commission Regulation D does not treat tribal governments like other governments. State and local governments are specifically exempt from the registration process as "accredited" or "large accredited" investors. As a result of the SEC's failure to treat tribal governments like state or local governments, raising capital and investing in projects have become cumbersome and costly for tribal governments.

To achieve parity with other governmental entities, it is important that tribes be included in the definition of "government body" used in section §230.501 of SEC Regulation D. Congress should act immediately to define tribes as accredited or large accredited investors to free up this untapped source of capital.

SEC Regulation D - NCAI Government Definition Fix Letter

D. TRIBES AS DOMESTIC ENERGY PARTNERS – ALTERNATIVE ENERGY PRODUCTION TAX CREDIT TRANSFER

Tribes with abundant natural resources need to be in a position to take advantage of energy investment incentives designed to increase existing domestic energy production derived from renewable energy projects. Many tribes are currently competing at a disadvantage when compared to those businesses given tax credits in the Renewable Energy Production Credit, which are available under 26 U.S.C. § 45, in addition to those energy credits available for energy property, coal, and gas under 26 U.S.C . §§48, 48A and 48B.

Tribes should have the ability to effectively compete and partner when developing their existing resources and creating renewable energy.

Appendices

1. Senator Johnson – S 2520 – Bill to Amend the IRC of 1986 to Allow Indian Tribal Governments to Transfer the Credit for Electricity Produced from Renewable Energy Resources
2. Congressman Grijalva – HR 1954 - Bill to Amend IRC of 1986 to Allow Indian Tribal Governments to Transfer the Credit for Electricity from Renewal Sources

E. ACCESS TO BANKING – RESERVATION BRANCH BANK RECOMMENDATIONS

Request: Amend 12 U.S.C. §§ 36, 1828(d) to permit banks to branch onto federally-recognized Indian reservations.
Amend regulations § 1828 governing insured depository institutions.

Many Indian reservations currently are "under-banked," which tends to limit economic development and opportunities for the families, businesses, and communities situated on these reservations. The purpose of the draft amendments is to allow in-state and out-of-state banks to branch into these communities and to provide vital banking services. A legislative "opt-in" from the tribal governments would be required for out-of-state banks to use the new authority, much like state legislatures currently are required to authorize out-of-state banks to enter their jurisdictions. Each new branch would require approval on a case-by-case basis from the appropriate federal bank regulator of the bank (the Office of the Comptroller of the Currency, FDIC, or Federal Reserve).

F. BIA GUARANTEED LOAN EXPANSION AND SURETY BONDING PROGRAM

Request: $9 Million – Fully Funded BIA Guaranteed Loan Program
$39 Million - Expanded BIA Loan Guarantee to Surety Bonding
$100 Million – Expanded BIA Loan Guarantee for Energy

One of the most successful programs undertaken by the Bureau of Indian Affairs is the Guaranteed Loan Program for businesses. It has been successful because it provides an attractive incentive for banks to expand and underwrite loans in Indian country. The default rate is enviable, administrative costs are shifted to the banks and demand far outweighs the allocated funding.

The loan guarantee program provides security for up to $80 million in loans between private banks and Indian tribes and tribal enterprises in FY 2008. Despite this guarantee authority, an additional $90 million in potential loans were not guaranteed because they exceeded the $80 million ceiling. We are requesting that the Guaranteed Loan Program receive an additional $90 million in leveraged loan backing through an additional $9 million in leveraged (10:1) funds to meet existing demand for business development. This funding could also be used to meet the demand for tribes to grow their economic base to fund government programs by authorizing tribal bonds to be eligible for funding. Department of Interior already had a program developed for meeting this important need.

In addition, it is also important that Indian-owned companies participate in performing infrastructure construction. Tribally-owned construction companies have been denied access to surety bonding because of the perceived risk associated with sovereign immunity - even when waived for specific contracts.

We recommend the Guaranteed Loan Fund be utilized to guarantee the performance bonds to ease the expense or outright denial of coverage needed to compete for and secure contracting opportunities. An additional set aside of $100 million should be guaranteed as part of the existing program for surety bonding. With a default rate around 39%, funds of $39 million would be leveraged to support the total funding of $100 million. [xix]

Expansion of the successful loan program to include larger energy funds would ensure tribal participation as energy partners. Without capital, tribes will continue to occupy the lower levels of the value chain and not receive full value for their limited resources. We are requesting $100 million in leveraged (10:1) funds to provide a total of $1 billion in guaranteed loans for energy projects. This important funding will give tribes the opportunity to create wind energy, provide aggregates for road construction and develop existing domestic fossil fuels.

G. USDA DIRECT BUSINESS AND INDUSTRIES LOAN PROGRAM

Request: $25 Million - USDA Loan Program for Tribal Governments

Like other governments, the current economic climate has made access to credit for tribal governments and tribal businesses much more difficult. Tribes that depend on income from traditional lines of business, such as forest products or agriculture, have been hit particularly hard as tightened credit markets have affected sales. Ultimately it has affected the ability of businesses to secure new or increased sources of capital.

USDA Rural Development administers the Business and Industry (B&I) Program, which is authorized to provide grants, loan guarantees, and below market direct loans for a variety of purposes, including construction, expansion, repair, or modernization costs. Although still authorized and governed by existing regulations and eligibility criteria, the direct loan component of the B&I program has not been funded for several years. Tribes and tribal enterprises are eligible borrowers under existing regulations.

The B&I Direct Loan program is already authorized and in place. New funding is all that is needed to provide Indian tribes and tribal enterprises with a new source of available capital. USDA Rural Development currently administers direct loans in connection with other programs and has personnel and procedures in place to make and service these direct loans.

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[i] Includes all eligible program recipients including American Indian tribes, Alaska Native Villages, and ANCs (Native organizations who have a unique relationship established by Congress, including those under the Alaska Native Claims Settlement Act of 1971 (ANCSA): ANCSA-designated ANCSA corporations functioning as the economic engine to stimulate designated Native economies).

[ii] Based on BIA estimates of 11,000 maintenance jobs and 10,500 for new construction and other jobs.

[iii] United States Department of Transportation - Federal Highway Administration, May 15, 2006.

[iv] U.S. Government Accountability Office. 1997. *Reported Condition and Costs to Repair Schools Funded by the Bureau of Indian Affairs.*

[v] U.S. Department of Interior, Office of Inspector General Flash Report. 2007. *Bureau of Indian Affairs, Bureau of Indian Education: Schools in Need of Immediate Action.*

[vi] Division of Sanitation Facilities Construction, Indian Health Service, Department of Health and Human Services. April 2006. *Marginal Cost Analysis Proposal Prepared for the Office of Management and Budget.*

[vii] For example, Cheyenne River Sioux received $80 thousand in FY 1998 for a feasibility study to serve Cheyenne River Sioux Reservation and SD and fall under WRDA for project funding.

[viii] Garrison Diversion Unit (P.L. 89-108), Mni Wiconi (P.L. 100-516), Fort Peck Dry Prairie (P.L. 106-382); Rocky Boys North Central (P.L. 107-331); Jicarilla Apache Reservation Rural Water System Project (P.L. 107-331 Title VIII); Santee Sioux Rural Water System Project (P.L. 108-204) (authorized feasibility study); Navajo Gallup Water Pipeline Project ~ authorization pending in New Mexico Rural Water bill, funded most recently in FY 08 this project received $246,000 to continue/finalize feasibility studies (Congress has been appropriating funding for assessment & studies since 1992); Cheyenne River Sioux -- $80K in FY 1998 for a feasibility study to serve Cheyenne River Sioux Reservation and SD; White Mountain Apache Tribe Rural Water System Loan Authorization Act (P.L. 110-390) on October 10, the legislation (S. 3128 introduced by Sen. Kyl) was signed into law to direct the Secretary of the Interior to provide a loan to the White Mountain Apache Tribe for use in planning, engineering, and designing a certain water system project.

[ix] The information for irrigation projects was obtained from the GAO report and FY 2009 Budget, the Dakota Water Resources Act of 2000, and information provided directly by Tribal water officials, BIA officials, and BOR officials.

[x] Gough, Robert. "Restoring A Balance: Wind Power On the Great Plains." Native Americas, 18:2 (August 31, 2001).

[xi] Suagee, Dean. 2008. "Energy Efficiency and Green Buildings in Indian County: Some Observations on Harvesting Low-Hanging Fruit."

[xii] The Bureau of Indian Affairs has an MOU with Earth Systems Research Institute to provide HAZUS software at no cost to tribes. Training is available through the FEMA Emergency Management Institute to learn GIS functions and operations. Funding per tribe: $25,000 GIS workstations, plotter, and sub meter GPS units, $25,000 aerial photography, $75,000 tribal technical staff, $50,000 maintenance.

[xiii] Funding per tribe includes: $15 million computer aided dispatch systems/integrated and interoperable and communications systems, $350,000 maintenance, $1 million automated alert, notification and warning systems/staffing, $150,000 maintenance/staffing, $2 million general emergency management development, planning, training, equipment, and exercise/staffing, and $1 million maintenance and support.

[xiv] Includes: $2.45 million for procure backup emergency generators for transmission and 10-day fuel supply, $1.225 million - backup transmitter
$1.225 million - emergency Wi-Fi laptop, $1.575 million emergency web equipment and backup IT servers and installation $1.05 million emergency satellite phone, two-way radio and go kits $245,000 auxiliary Site STL.

[xv] Testimony of W. Patrick Ragsdale, Director, Bureau of Indian Affairs, before the Senate Committee on Indian Affairs. May 17, 2007, *available at* http://indian.senate.gov/public/_files/Ragsdale051707.pdf.

[xvi] Office of Inspector General, Department of Interior, "Neither Safe Nor Secure: An Assessment of Indian Detention Facilities," September 2004, *available at* http://www.doioig.gov/upload/IndianCountryDetentionFinal%20Report.pdf.

[xvii] *Ibid.*

[xviii] Center for Urban Policy Research, Edward J. Bloustein School of Planning and Public Policy, Rutgers University. 2004. *Housing and Economic Development in Indian Country: Challenge and Opportunity.*

[xix] Surety and Fidelity Association of America, based on 39% loss ratio(net losses on premiums) average over a ten-year period (1997 to 2007) of incurred losses over written premiums.

TRIBAL GOVERNMENT ECONOMIC RECOVERY PLAN

National Congress of American Indians
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NATIONAL
CONGRESS
OF AMERICAN
INDIANS

Native American communities, whose infrastructure and economies are supported by Indian tribal governments, must be directly included in the upcoming economic recovery plan. Native American communities have the highest unemployment rates in the entire country and tribal governments have long had difficulty accessing and attracting capital to serve their citizen's needs. To resolve these barriers to economic prosperity, NCAI, in collaboration with tribal government and organization partners, developed the Indian Country Economic Recovery Plan that includes ready-to-fund infrastructure projects and eases tribal government access to capital.

Targeted ready–to-fund federal infrastructure spending, along with measures removing barriers to governmental access to credit and capital, would offer a viable opportunity for immediate job creation in Native American communities throughout the United States[i]. In order to capitalize on this opportunity, Congress needs to incorporate key Indian Country perspectives in addressing: **(1) Infrastructure Spending** and, **(2) Access to Credit & Capital** into any economic stimulus package.

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1. INFRASTRUCTURE PROGRAMS

A. RESERVATION ROADS AND TRANSPORTATION

Request:	\$310 Million - Indian Reservation Roads Program – New Roads and Transportation Infrastructure Projects. (DOI/DOT) \$258 Million - BIA Road and Transportation Infrastructure Maintenance Projects (DOT) \$36 Million – Tribal Transit Grant Program
Jobs:	21,500 jobs created[ii]

Tribal governments and the Native American communities they support should be included as eligible recipients for transportation, new construction, and maintenance. Inclusion would create a large number of immediate jobs, contracting opportunities, and related procurement. Funding would also help to save lives by improving road safety among a population with the highest transportation accident rates.[iii]

According to BIA officials, tribal communities have an unmet immediate need of well over \$258 Million in maintenance funding for roads and bridges and \$310 Million in unmet new roads and bridges projects. These projects will immediately create over 21,500 jobs and will inject a much-needed stimulus into the Native American economy.

The Tribal Transit Grant Program has been highly successful in its early years. However, the funding awarded has not met the transit needs for tribal communities. Funding for transit projects not only creates immediate jobs and contracting opportunities, but will also improve citizen participation in the economic system. According to the Federal Transit Administration (FTA), during FY2006 and FY2008 a total of \$66 Million was requested with \$30 Million funded. We are requesting the \$36 Million in unfunded need for tribal transit.

Appendices:
1. Ready List – Indian Reservation Roads Programs
2. Statement of BIA Transportation Maintenance Need
3. "Creating Jobs, Saving Lives and Money Through Emergency Funding for Transportation Infrastructure and Maintenance in Indian Country"
4. "Creating Jobs, Injecting Money into the Economy, and Saving Lives Through Funding for Immediate Road Construction Projects" (November 2008)
5. "Creating Jobs and Improving Access to Jobs, Healthcare, Education and Necessary Services Through Funding for the Tribal Transit Grant Program"
6. Transit Grants – 2006-2008 Completed Assessments List
7. Native American Transit: Current Practices, Needs, and Barriers

B. 21ST CENTURY GREEN SCHOOLS REHABILITATION AND CONSTRUCTION

Request: $143 Million BIE School Renovation and Ready Construction
$62.4 Million Technology Upgrades

Jobs: 1,500 jobs created

The Bureau of Indian Education (BIE) oversees 4,995 education buildings. Half of these are more than 30 years old and more than 20 percent are older than 50 years[iv]. Although education construction has improved dramatically over the last few years, the deferred maintenance backlog is still estimated to be over $500 Million and increases annually by $56.5 Million. New schools on Indian reservations should be a model for energy efficiency including the use of alternative energy to meet their ongoing energy needs.

These dollars are desperately needed in Indian Country. As recently as May 2007 the Office of Inspector General[v] (OIG) found that the BIE schools required immediate action to protect the health and safety of children and faculty. According to the report, the BIE's construction priority list includes 69 of its schools - or 83%. These schools, according to the OIG, face critical health and safety violations, including schools with outdated electrical systems, inadequate fire detection, and improperly maintained furnaces. The report stated that if these conditions are not immediately addressed, there is the potential for serious injury or death to the students.

According to the BIE, the funding needed in 2009 to meet total education construction needs is $143 Million. Schools are also in need of technological upgrades to bring them into the 21st century learning environment. We are requesting an additional $62.4 Million for technology upgrades in 25% of the schools, those in most need.

Appendices:
1. U.S. Department of Interior, Office of Inspector General Flash Report. 2007. Bureau of Indian Affairs, Bureau of Indian Education: Schools in Need of Immediate Action
2. U.S. Government Accountability Office, 1997. Reported Condition and Costs to Repair Schools Funded by the Bureau of Indian Affairs

C. CLEAN WATER, WASTE TREATMENT, WATER PROJECT SYSTEMS AND IRRIGATION

Request: $700 Million in IHS/HHS Water and Waste Infrastructure Project Funding
$200 Million for Bureau of Reclamation Water And Related Resources, including Funding (Tribal Inclusion of at least $58 Million) for Authorized Rural Water System Projects
$130 Million for Construction- Ready BIA Irrigation Projects
$7.7Million for Construction- Ready DOI/Bureau of Reclamation Irrigation Projects

Water and Waste Infrastructure Projects - Tribes have a tremendous need for funding under the Clean Water and Drinking Water State Revolving Funds, as over 13% of tribal homes lack access to safe drinking water and sanitation infrastructure, compared to less than 1% of homes nationwide. According to the Indian Health Service, over 36,000 tribal homes lack potable water.
Due to the evident need and comparative inequities, tribes have long advocated for a substantial increase in project funds through new SRF allocation formulas based on actual need. According to the Indian Health Service's (IHS) 2008 Sanitary Deficiency Service (SDS) database for 2008, tribal water and sewer infrastructure needs a total of nearly $2.4 Billion with half of the need ($1.2 Billion) defined as economically feasible projects. Feasibility is based on the ability to provide piped in service. Projects at the top of the list are the most ready-to-go with those at the end of the list less so. We are requesting $600 Million to fund the most ready projects to reduce tribal lack of access by 50 percent, which is a stated national commitment.

An additional $100 Million is being requested to conduct feasibility studies for the remainder of the ready list as well as those considered economically infeasible which includes many tribes that have the highest water deficiency levels (4 and 5 - with 5 as the most deficient). NCAI also urges IHS to revisit the definition of homes, as some tribal homes, such as some pre-HUD homes, are not identified as such, and thus cannot be counted as homes lacking access under current criteria[vi].

Bureau of Reclamation Tribal Rural Water Project System Infrastructure - Potable rural water projects authorized for evaluation, study, and construction under the US Bureau of Reclamation (USBR) impact a substantial portion of Indian country in the west. There are five USBR rural water projects which will serve Indian tribes that have specific Congressional authorization and are under construction (and could use USBR funding under the economic stimulus immediately). There are additional tribal rural water systems listed below which have received funding in previous years for USBR feasibility studies and related activities, which would affect in total 28.3 Million acres of Indian reservation and trust lands in six states intended to serve approximately 365,000 tribal citizens of 13 federally recognized Indian tribes. These water infrastructure projects will create much-needed jobs and provide reliable, safe, and essential drinking water to the most remote, rural, and economically depressed areas of Indian Country.

The Reid/Byrd Economic Recovery Act of 2008 (S. 3689), introduced on November 18, included $200 Million for USBR management, development, restoration of water, related natural resources, and for related activities, including the operation, maintenance, rehabilitation, and modification of reclamation and other facilities. This includes improvements or modifications to provide environmental benefit, participation in fulfilling related federal responsibilities to Native Americans, and related grants and other agreements with state, local governments, and federally-recognized Indian tribes. In addition, the bill included no less than $50 Million for Rural Water Supply Projects and focused on water treatment and intake facilities[vii]. The language also set forth criteria that the funds: may only be used for programs, projects, or activities previously funded; be used for elements of projects, programs, or activities that can be completed within these funding amounts; and may not create budgetary obligations in future fiscal years. There are currently five USBR Rural Water Supply Projects which will serve Indian tribes that have specific Congressional authorization,[viii] are under construction, and could use USBR funding under the economic stimulus immediately.

Indian Irrigation Project Construction - The federal government provides funding for the construction of Indian irrigation projects as part of the government's responsibility to foster agricultural opportunities and economic development in Indian country and surrounding areas. Both the Bureau of Indian Affairs (BIA) and the USBR oversee construction of Indian irrigation projects, with the majority of projects falling under the authority of the BIA.

The President's FY 2009 budget reports that BIA Indian irrigation projects produce over $300 Million in crop revenues annually. Several authorized Indian irrigation projects have fully designed construction-ready components. According to information received from BIA officials,. $130 Million is required to complete the construction-ready components of BIA Indian irrigation projects. According to information received from USBR and tribal water officials, at least $7.7 Million in funding is required to complete construction-ready components of BIA/USBR Indian irrigation projects. USBR oversees Indian irrigation projects that are the result of certain water settlements or other special authorizing legislation. The attached table provides a list of the BIA and USBR projects.[ix]

Appendices:

1. IHS Water and Waste Funding Need
2. "Strategies for Increasing Access to Safe Drinking Water and Wastewater Treatment to American Indian and Alaska Native Homes," Infrastructure Task Force Access Subgroup

3. Table of Construction-Ready USBR Tribal Water Projects with Background and Jobs Creation Served By Investing in Indian Country
4. Tables of Construction Ready BIA and USBR Irrigation Projects
5. Excerpts from FY 2009 Interior's Indian Affairs "Green Book" on Indian Irrigation Projects
6. GAO Report, "Indian Irrigation Projects", February 2006
7. Interagency MOU – Meeting Water and Waste Needs in Native American Communities

D. ENERGY INDEPENDENCE DEVELOPMENT, EFFICIENCY, AND RELIABILITY PROGRAM

Tribal Governments seek to participate in the energy goals of the Economic Recovery Plan to improve our nation's energy infrastructure, develop renewable sources of energy, make homes and buildings more energy efficient, and create green jobs. This can be achieved by tapping the vast energy potential on tribal lands, ensuring appropriate and equitable funding of programs, building tribal capacity, and removing obstacles for implementation.

I. Energy Development ($150 Million)

Request:	$150 Million for Development of Tribal Energy Resources
	$50 Million for tribal managerial and technical capacity (DOI)
	$50 Million for tribal energy infrastructure study and renewable energy projects (DOE)
	$45 Million for tribal renewable energy proposals
	$5 Million to conduct a studies on tribal energy grid access
	$50 Million for the unfunded loan guarantee(DOE)

Building Capacity to Develop Energy Resources (25 U.S.C. § 3502(a)) - $50 Million

Department of Interior grant programs (25 U.S.C. § 3502(a)) are authorizing grants to tribes and tribal organizations to (1) develop managerial and technical capacities needed to develop energy resources, (2) carry out projects to integrate, process, use, or develop energy resources, (3) provide low-interest loans to promote energy resource development on Indian lands, and (4) develop a national resource center to support tribal environmental programs relating to energy development. There are authorized to be appropriated "such sums as are necessary" each year under this program until 2016, but no funds have been appropriated. NCAI requests that $50 Million be provided so that tribes can build the internal capacity to tap the great economic, environmental, and energy potential of renewable energy projects on tribal lands.

Funding for Tribal Renewable Energy Projects and Energy Infrastructure Planning (25 U.S.C. § 3502(b)) - $50 Million

Renewable energy projects on tribal lands provide clear and significant economic and environmental benefits for tribes and the nation. DOE estimates the wind potential in Indian Country can provide 20-50% of current US electricity needs, and solar energy potential can provide 4.5 times those needs. Hundreds of thousands of jobs could be created through renewable energy projects on tribal lands, and tribal governments could attain new levels of economic independence and self-governance. DOE's Tribal Energy Program (TEP) continues to be an excellent program to realize these efforts. However, since 2002 TEP has only been able to fund 93 of the 282 (33%) tribal energy applications received, and only 25% of the funding requested, or $16.5 Million for over $60 Million requested. NCAI requests $45 Million under 25 U.S.C. § 3502(b) to close the difference and fund these efforts, and a waiver of the cost share requirements, consistent with Section 6 of Executive Order 13175.

Major transmission and pipeline infrastructure routes cut across Indian lands. Tribes should also be involved in the planning and development of, and access to future routes and the attendance infrastructure. 25 U.S.C. § 3502(b) allows for the funding of studies related to the creation of tribal electric utilities and the planning, development, and construction of generation, transmission, distribution, and interconnection facilities. NCAI requests a study of Indian tribal lands, estimated to cost approximately $5 Million, to identify tribal access to existing transmission and distribution facilities and infrastructure, and tribal involvement in future energy infrastructure development, including tribal access to it.

Loan Guaranty Programs ((25 U.S.C. § 3502(c) and 25 USC §1481)) - $50 Million

Energy development is highly capital intensive and the investment in projects that leverage private financing will have a large monetary benefit as well as energy security, independence payoff and a clean energy benefit as well. It is estimated that $0.5 Billion in "shovel ready" energy projects currently exist in Indian Country, and that each $1 in loan guarantees will result in $10 in private sector funding. Therefore, NCAI requests an appropriation of $50 Million in loan guarantees, evenly split under 25 U.S.C. §3502(c) (administered by DOE) and 25 U.S.C. §1481 (administered by DOI) to leverage the $0.5 Billion needed in private financing for tribally-owned energy resource development projects sponsored by Indian Tribes. It should be noted that $50 Million request for funding is only 2.5% of the $2 Billion authorized under 25 U.S.C. §3502(c). Nevertheless, this funding is crucial in leveraging private financing leveraging for shovel-ready projects on tribal lands.

II. Energy Efficiency ($185 Million)

Request:	$80 Million for Energy Efficiency & Conservation Block Grants (DOE) $100 Million for Weatherization Assistance Program (DOE) $5 Million for Tribal Building Energy Efficiency Codes Incentives (DOE)

Energy efficiency programs in the economic stimulus package can and must include Indian Country. DOE finds that tribal households on tribal lands pay a greater portion of their income for electricity compared to households nationwide. Many reservations in the northern latitudes experience bitter winters that force many families to spend up to 70% of their total income to heat their homes. Despite the clear benefits of creating long term cost and energy efficiencies in tribal homes and buildings, federal support provided, often for decades to state and local energy efficiency efforts, has not been replicated for tribes. Therefore, NCAI makes the following request not only to implement the needed programs, but to support tribal programmatic and administrative capacity for such implementation.

Building Tribal Capacity to Develop and Implement Energy Efficiency Strategies (EISA Section 542) - $80 Million

Most tribal governments currently do not have the capacity to develop energy efficiency and conservation strategies. Because of the current and future impacts of climate change and the urgent need to reduce our collective carbon footprint, tribal governments need to establish offices and programs to improve energy efficiency through tribal building codes, strategies, and implementation. NCAI recommends that the Administration support those efforts by providing $80 Million to tribes under Section 542 of the Energy Independence and Security Act (EISA), "Energy Efficiency and Conservation Block Grants," so that they can develop the capacity to design and implement energy efficient strategies, in the same manner as state and local governments.

Weatherization (EISA Section 411) - $100 Million

The U.S. Department of Energy's (DOE) Weatherization Assistance Program reduces energy costs for low-income households by providing technical assistance and funding to increase the energy efficiency of their homes. The program has provided funding and programmatic support to states and local governments since 1976, resulting in an array of networks and services. A similar effort has not been undertaken specifically for tribes, despite disproportionate percentage of low-income households in Indian Country, and the disproportionately poor condition of tribal homes. Currently only 3 of the 562 federally recognized tribes receive a direct allocation, because the allocation amount is too small to justify running this highly technical, labor and paper intensive program. NCAI believes that tribes should be able to run this program directly, and to be provided meaningful funding and technical support that DOE has provided to states and local governments in the past. NCAI requests $100 Million to tribes for the Weatherization program under the Economic Development Plan, and a 10% annual set-aside thereafter.

Tribal Building Energy Efficiency Codes Incentives (EPAct Section 128) - $5 Million

DOE has been providing 15 years of federal assistance to states and local governments, but not to tribes to improve the energy efficiency provisions of building codes under Section 128 of the 2005 Energy Policy Act "State Building Energy Efficiency Codes Incentives." This section authorizes appropriations of $25 Million per year for this program, including $500,000 for training state and local government officials. Tribal governments also have the authority to enact and implement building codes for buildings on lands within their jurisdiction, but have been left out of this federal assistance program. Tribes should be included as eligible recipients for funds under this Act, and in light of the historical omission, provided with $5 million for this program under the economic stimulus package, and thereafter, a 10% annual set-aside.

E. HEALTH FACILITIES AND TREATMENT CENTER MODERNIZATION AND CONSTRUCTION

Request:	$370 Million - Indian Health Service Facilities Ready Construction, HHS

For most Indian people, Indian Health Service (IHS) supported programs are the only source of healthcare. Unfortunately, these vital services are constrained by the limited capacity of existing IHS and tribal healthcare facilities. Many facilities are severely overcrowded, and IHS does not have sufficient resources to address the ongoing need for expansion as well as the daily operation and maintenance needs of its 700 facilities and 2,200 staff quarters.

According to IHS, the cost associated with the ready list for construction and maintenance of its facilities is $370 Million. The requested amount will allow IHS to replace its priority healthcare facilities with modern facilities and to significantly expand capacity at its most overcrowded sites.

Appendices:

1. Indian Health Service, Indian Healthcare Facilities FY 2010 Planned Construction Budget
2. Ready List - Healthcare Facilities List
3. Healthcare Priority Methodology

F. TELECOMMUNICATIONS ACCESS AND EMERGENCY MANAGEMENT

Request: $17.5 Million – Geographic Information Systems, DHS, FEMA
$195 Million – Emergency Management Interoperable Connections, DHS
$7.77 Million – Public Communications
Inclusion – Broadband Access

Communications infrastructure is an essential component of achieving safe, healthy, and economically viable communities. Eligibility and funding of broadband, telephony, and broadcast communications systems is the critical backbone to securing a strong economy in addition to enhancing quality of life. Tribal communities were identified several years ago as having severely limited telecommunications and information technology capacity. Broadband and emergency infrastructures are vital to our economic health and preparedness.

Emergency Management - Tribal emergency management and homeland security programs are vital for the safety of tribal and surrounding communities. Tribal government responders will be the first responders, and in many geographical instances the sole response organizations, to assist Native and non-Native populations in ordinary and catastrophic emergency situations. Tribes need to be included as proportionate recipients of broadband, wireless, and emergency management funding to address the telecommunications need.

Tribal Emergency Management & Homeland Security - State of the art communications systems in Indian country include hardware, software, and operational staff for computer-aided dispatch systems, integrated and interoperable communications systems, automated alert, notification and warning systems, Geographic Information Systems, and emergency management systems.

Geographic Information System (GIS) Enhancement - GIS can capture, store, analyze, manage, and present data regarding a specific location and is the most powerful visual communication tool available. As effective as GIS may be, it has not been utilized throughout Indian country due to funding and human resource constraints. We are requesting $17.5 Million set-aside funding for 100 tribes for geospatial technology planning grants through the Department of Homeland Security–Federal Emergency Management Agency's Pre-disaster Mitigation Program.[x]

Tribes need state-of-the-art radio communications systems that can be integrated with existing and future local and state communications networks. These systems must include trunking capabilities and be Project 25 compatible. Tribes need $195 Million of first-year funding set aside for 100 tribal governments.[xi]

Public Communications - Thirty-three public radio stations are currently licensed to tribal governments, tribal community colleges, and tribal foundations, with all but one located on tribal lands. Twenty-nine additional stations are in the process of coming online, and two will be operational in 2009. Hardware (towers and transmitters) is funded through the Department of Commerce National Telecommunication Information Administration. These vital links to Indian country are in desperate need of infrastructure repair and enhancement.

In emergency situations, stations serve as tribal community lifelines by delivering emergency alerts and advisories. In emergency situations they can be faced with critical shortages, including backup generators, staffing and emergency funding of utilities to operate. Funding should be made available to the 35 stations to ensure emergency broadcasting to tribal communities. Tribes need $7.77 Million for 35 tribal community radio stations that will be operational in 2009.[xii]

G. PUBLIC SAFETY INFRASTRUCTURE

Request: $1.68 Billion - Detention Center, Police and Courthouse Rehabilitation and Ready Construction, DOJ

There are currently 82 detention facilities in Indian country located on 57 reservations. Twenty-seven of those 82 facilities are used to detain juveniles. Sixty-two of the jails are operated by tribal governments, while 20 are operated by the BIA. Most of the facilities were constructed 30-40 years ago.[xiii] The problems and challenges with tribal and BIA detention have been well-documented. A 2004 report by the Office of Inspector General at the Department of Interior concluded that jails run by the Bureau of Indian Affairs are "egregiously unsafe, unsanitary, and a hazard to both inmates and staff alike."[xiv] The report went on to conclude that the "BIA's detention program is riddled with problems . . . and is a national disgrace."[xv]

A Bureau of Indian Affairs report released in 2008 confirmed an $8.4 Billion backlog to bring tribal and federal detention centers in Indian Country up to current standards and to relieve overcrowding of as much as 150 percent at peak periods. The report concluded that over 90% of the detention facilities in Indian Country need to be replaced or extensively repaired, and concluded that the lack of adequate facilities coupled with limited enforcement officers and prosecutions has led to a severe public safety risk on reservations. To begin addressing this public safety risk, we are requesting $840 million in immediate funding for detention - 10% of the overall detention center need along with an additional 10% in funding to include dilapidated and unsafe police and court facilities.

Appendices:

1. Tribal Justice Falls $8.4 Billion Short
2. Master Plan for Justice Services in Indian Country, Year 2007 to Year 2017, GSA

H. HOUSING RELIEF REHABILITATION AND CONSTRUCTION PROGRAM

Request: $966 Million - Native American Housing Rehabilitation and Ready Construction, HUD

Jobs: 4,180 jobs created

Native Americans face some of the worst housing and living conditions in the United States. Housing, related infrastructure, and reliable utilities are needed immediately in Indian country. Barriers to housing development in Indian communities include the lack of significant private investment opportunities, low functioning housing markets, and poverty.

According to the 2004 "Housing and Economic Development in Indian Country Challenges and Opportunity" report conducted by the Center for Urban Policy Research at Rutgers University, 23.3 % of Indian households pay 30% percent or more of household income for housing.[xvi] Indian homes also frequently lack utilities and infrastructure. According to the 2000 Census, approximately 14.2% of Indian homes have no electricity; 11.7% lack complete plumbing; 11% lack kitchen facilities; and 32.1% lack telephone service. Retrofitting homes is an activity that can take place immediately and be completed within 12 months. This activity would significantly extend the life of homes throughout Indian country.

We estimate that 60,000 homes are being maintained by Native American housing programs and are of an age where retrofitting might be needed. We estimate that 70% of these homes are in need of retrofitting (windows, insulation, efficient furnaces/air, elder/handicap conversion, etc.). Therefore, 42,000 homes are in need of retrofitting. With an estimated retrofitting cost of $23,000 per unit, the total amount of funds that could be expended in 12 months is $966 Million. The most efficient means to distribute the funding is through the existing Native American Housing Assistance and Self-Determination Act (NAHASDA) allocation formula that is administered by HUD.

There are 380 NAHASDA recipients- tribal governments and tribally-designated housing authorities. We estimate that an average number of 11 jobs will be created per housing program, which results to 4,180 new jobs for Native American housing programs. An untold number of jobs will be created at other companies through the purchase of new windows, insulation, furnaces, lumber, and other building products.

I. Indian Land Consolidation, Conservation and Forestry Programs

Request: $400 Million – Tribal Lands Consolidation for Economic Production, DOI
$135 Million - Indian Forestry Land Restoration, USDA

The Bureau of Indian Affairs has proposed very significant funding for the Indian Land Consolidation Program to stimulate reservation economies, and NCAI strongly agrees with this proposal. Although it is not a traditional infrastructure program, it is even more fundamental to stimulating reservation economies. Over 5 Million acres of Indian owned land is locked up in unproductive status because the ownership of each tract is divided among dozens, hundreds, or thousands of owners. Economic activity on these lands has become impossible because of the inability to gain the consent of the owners. Consolidation of these tracts into tribal ownership results in immediate economic gains by putting the land into productive use - largely in timber and agricultural production, but also in creating new opportunities for commercial development and tribal government construction.

The Indian Land Consolidation Program has both short-term and long-term beneficial impacts on the economy, on the tribes, and on the federal government. First, the Program is able to purchase lands and disburse funds within a six week timeframe. The average payment to each Indian landowner is approximately $3000, which, because of low income levels, quickly goes into circulation in reservation and surrounding economies. Second, the consolidated lands are immediately available for agriculture, timber sales, and other activities that produce jobs and income on the reservations. The importance of job creation on reservations cannot be overstated. Third, the Program is leveraged. The last four years of experience have shown surprisingly high rates of return on consolidated lands, and this income is under a lien and returned into the program for consolidation of more lands. Fourth, there is no program which will do more to solve the long-term trust management problems at the Department of Interior.

Land consolidation is critical for addressing trust management problems created by fractionation. Over 4 Million ownership interests in 130,000 tracts of land have created a title, management, and accounting nightmare for the federal government and enormous difficulties for Indian land owners in putting land to economic use. Land consolidation improves federal administration and management, and saves substantial federal dollars that currently go to tracking tiny land interests. The investment in land consolidation will do more to save on future trust administration costs than any other item in the trust budget. Land ownership and land tenure is the fundamental infrastructure of reservation economies. The Bureau of Indian Affairs has estimated the consolidation program at $700 Billion. To begin addressing land consolidation, we are requesting $400 Million in immediate funding, 10% of the overall need.

Indian Forest Land Restoration

Indian Country contains 18 million acres of forest including a backlog of 900,000 acres of forest in need of restoration. Federal funding for forests on tribal trust lands is far less than what is provided for US Forest lands. A statutorily required independent assessment found that BIA's Forestry program should be provided nearly three times more than its existing budget of $42 million per year, to achieve per acre funding parity with the U.S. Forest Service. NCAI requests $135 million in grants under National Indian Forest Management Act (25 U.S.C. Title 33) which would allow tribal crews to engage in silviculture activities that reduce the current backlog by 450,000 acres, or 50%, in two years. The cost to restore 1 acre is approximately $300. The funding would create labor-intensive silviculture programs; immediately generate jobs on the reservations; provide a wide range of skills, training and employment opportunities; diminish the severity of wildfires; enhance the carbon sequestration capacity of tribal forest lands; and improve tribal ecological and environmental health.

2. TRIBAL GOVERNMENT ACCESS TO CAPITAL

It is important to recognize in this economic crisis that access to capital for tribal governments has consistently been impeded by federal rules and regulations, as well as economic factors. Minor legislative adjustments would put tribal governments on par with state and local governments and free up access to capital markets for tribal communities.

A. ACCESS TO THE PUBLIC DEBT MARKETS – TRIBAL TAX -EXEMPT BOND FIX

Fixing the federal tax-exempt bond rules applicable to tribal governments would leverage any infrastructure spending by the federal government, thereby increasing the reach of the Economic Stimulus package and reducing the burden to the taxpayer through complementary tribal financing. Like state and local governments, tribal governments need to issue tax-exempt bonds for a variety of purposes, including infrastructure and economic development activities. In fact, tribal governments that lack a tax base (as many do) have an even greater need to finance revenue-generating projects in order to fund and deliver much-needed government services to their citizens.

A consensus proposal to fix the federal tax-exempt bond rules can be found in legislation introduced by Senators Max Baucus and Gordon Smith in the Senate and by Congressmen Xavier Becerra and Devin Nunes in the House. The Tribal Government Tax-Exempt Bond Parity Act (S. 1850/H.R. 3164) would indirectly, but effectively address fundamental infrastructure and community development needs for tribes. Passage of the legislation would go a long way to allow tribal governments to build self-sufficient local economies, serve fundamental citizen needs, and create healthy and safe communities.

Yet due to federal tax and securities rules, tribal governments find it both difficult and more expensive to finance government functions and economic development projects. There is no reason why Indian tribal governments should be paying more to provide for their citizens than other governments do.

B. TRIBAL USE OF PROJECT FUNDS FOR DEBT - ALLOWABLE COST FIX

Clarification for tribal use of appropriations for related interest expenses is needed. This would give tribes more flexibility for financing existing infrastructure projects in a similar manner as states. Section 450j-1(k) of Chapter 25 of the U.S. Code should be amended by adding the following language to the existing statute: "Interest payments, retirement of principal, costs of issuance, and costs of insurance or similar credit support for a debt financing instrument, the proceeds of which are used to support a contracted construction project."

C. ACCESS TO TRIBAL FUNDING PARTNERS – SEC ACCREDITED INVESTOR FIX

Successful tribes want to invest in the development of other tribes. However, the current definition in the Securities and Exchange Commission Regulation D does not treat tribal governments like other governments. State and local governments are specifically exempt from the registration process as "accredited" or "large accredited" investors. As a result of the SEC's failure to treat tribal governments like state or local governments, raising capital and investing in projects have become cumbersome and costly for tribal governments.

To achieve parity with other governmental entities, it is important that tribes be included in the definition of "government body" used in section §230.501 of SEC Regulation D. Congress should act immediately to define tribes as accredited or large accredited investors to free up this untapped source of capital.

SEC Regulation D - NCAI Government Definition Fix Letter

D. TRIBES AS DOMESTIC ENERGY PARTNERS – ALTERNATIVE ENERGY PRODUCTION TAX CREDIT TRANSFER

Tribes with abundant natural resources need to be in a position to take advantage of energy investment incentives designed to increase existing domestic energy production derived from renewable energy projects. Many tribes are currently competing at a disadvantage when compared to those businesses given tax credits in the Renewable Energy Production Credit, which are available under 26 U.S.C. § 45, in addition to those energy credits available for energy property, coal, and gas under 26 U.S.C . §§48, 48A and 48B.

Tribes should have the ability to effectively compete and partner when developing their existing resources and creating renewable energy.

Appendices

1. Senator Johnson – S 2520 – Bill to Amend the IRC of 1986 to Allow Indian Tribal Governments to Transfer the Credit for Electricity Produced from Renewable Energy Resources
2. Congressman Grijalva – HR 1954 - Bill to Amend IRC of 1986 to Allow Indian Tribal Governments to Transfer the Credit for Electricity from Renewal Sources

E. ACCESS TO BANKING – RESERVATION BRANCH BANK RECOMMENDATIONS

Request: Amend 12 U.S.C. §§ 36, 1828(d) to permit banks to branch onto federally-recognized Indian reservations.
Amend regulations § 1828 governing insured depository institutions.

Many Indian reservations currently are "under-banked," which tends to limit economic development and opportunities for the families, businesses, and communities situated on these reservations. The purpose of the draft amendments is to allow in-state and out-of-state banks to branch into these communities and to provide vital banking services. A legislative "opt-in" from the tribal governments would be required for out-of-state banks to use the new authority, much like state legislatures currently are required to authorize out-of-state banks to enter their jurisdictions. Each new branch would require approval on a case-by-case basis from the appropriate federal bank regulator of the bank (the Office of the Comptroller of the Currency, FDIC, or Federal Reserve).

F. BIA GUARANTEED LOAN EXPANSION AND SURETY BONDING PROGRAM

Request: $9 Million – Fully Funded BIA Guaranteed Loan Program
$39 Million - Expanded BIA Loan Guarantee to Surety Bonding
$100 Million – Expanded BIA Loan Guarantee for Energy

One of the most successful programs undertaken by the Bureau of Indian Affairs is the Guaranteed Loan Program for businesses. It has been successful because it provides an attractive incentive for banks to expand and underwrite loans in Indian country. The default rate is enviable, administrative costs are shifted to the banks and demand far outweighs the allocated funding.

The loan guarantee program provides security for up to $80 Million in loans between private banks and Indian tribes and tribal enterprises in FY 2008. Despite this guarantee authority, an additional $90 Million in potential loans were not guaranteed because they exceeded the $80 Million ceiling. We are requesting that the Guaranteed Loan Program receive an additional $90 Million in leveraged loan backing through an additional $9 Million in leveraged (10:1) funds to meet existing demand for business development. This funding could also be used to meet the demand for tribes to grow their economic base to fund government programs by authorizing tribal bonds to be eligible for funding. Department of Interior already had a program developed for meeting this important need.

In addition, it is also important that Indian-owned companies participate in performing infrastructure construction. Tribally-owned construction companies have been denied access to surety bonding because of the perceived risk associated with sovereign immunity - even when waived for specific contracts.

We recommend the Guaranteed Loan Fund be utilized to guarantee the performance bonds to ease the expense or outright denial of coverage needed to compete for and secure contracting opportunities. An additional set aside of $100 Million should be guaranteed as part of the existing program for surety bonding. With a default rate around 39%, funds of $39 Million would be leveraged to support the total funding of $100 Million. [xvii]

Expansion of the successful loan program to include larger energy funds would ensure tribal participation as energy partners. Without capital, tribes will continue to occupy the lower levels of the value chain and not receive full value for their limited resources. We are requesting $100 Million in leveraged (10:1) funds to provide a total of $1 Billion in guaranteed loans for energy projects. This important funding will give tribes the opportunity to create wind energy, provide aggregates for road construction and develop existing domestic fossil fuels.

G. USDA DIRECT BUSINESS AND INDUSTRIES LOAN PROGRAM

Request: $25 Million - USDA Loan Program for Tribal Governments

Like other governments, the current economic climate has made access to credit for tribal governments and tribal businesses much more difficult. Tribes that depend on income from traditional lines of business, such as forest products or agriculture, have been hit particularly hard as tightened credit markets have affected sales. Ultimately it has affected the ability of businesses to secure new or increased sources of capital.

USDA Rural Development administers the Business and Industry (B&I) Program, which is authorized to provide grants, loan guarantees, and below market direct loans for a variety of purposes, including construction, expansion, repair, or modernization costs. Although still authorized and governed by existing regulations and eligibility criteria, the direct loan component of the B&I program has not been funded for several years. Tribes and tribal enterprises are eligible borrowers under existing regulations.

The B&I Direct Loan program is already authorized and in place. New funding is all that is needed to provide Indian tribes and tribal enterprises with a new source of available capital. USDA Rural Development currently administers direct loans in connection with other programs and has personnel and procedures in place to make and service these direct loans.

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[i] Includes all eligible program recipients including American Indian tribes, Alaska Native Villages, and ANCs (Native organizations who have a unique relationship established by Congress, including those under the Alaska Native Claims Settlement Act of 1971 (ANCSA): ANCSA-designated ANCSA corporations functioning as the economic engine to stimulate designated Native economies).

[ii] Based on BIA estimates of 11,000 maintenance jobs and 10,500 for new construction and other jobs.

[iii] United States Department of Transportation - Federal Highway Administration, May 15, 2006.

[iv] U.S. Government Accountability Office. 1997. *Reported Condition and Costs to Repair Schools Funded by the Bureau of Indian Affairs.*

[v] U.S. Department of Interior, Office of Inspector General Flash Report. 2007. *Bureau of Indian Affairs, Bureau of Indian Education: Schools in Need of Immediate Action.*

[vi] Division of Sanitation Facilities Construction, Indian Health Service, Department of Health and Human Services. April 2006. *Marginal Cost Analysis Proposal Prepared for the Office of Management and Budget.*

[vii] For example, Cheyenne River Sioux received $80 thousand in FY 1998 for a feasibility study to serve Cheyenne River Sioux Reservation and SD and fall under WRDA for project funding.

[viii] Garrison Diversion Unit (P.L. 89-108), Mni Wiconi (P.L. 100-516), Fort Peck Dry Prairie (P.L. 106-382); Rocky Boys North Central (P.L. 107-331); Jicarilla Apache Reservation Rural Water System Project (P.L. 107-331 Title VIII); Santee Sioux Rural Water System Project (P.L. 108-204) (authorized feasibility study); Navajo Gallup Water Pipeline Project ~ authorization pending in New Mexico Rural Water bill, funded most recently in FY 08 this project received $246,000 to continue/finalize feasibility studies (Congress has been appropriating funding for assessment & studies since 1992); Cheyenne River Sioux -- $80K in FY 1998 for a feasibility study to serve Cheyenne River Sioux Reservation and SD; White Mountain Apache Tribe Rural Water System Loan Authorization Act (P.L. 110-390) on October 10, the legislation (S. 3128 introduced by Sen. Kyl) was signed into law to direct the Secretary of the Interior to provide a loan to the White Mountain Apache Tribe for use in planning, engineering, and designing a certain water system project.

[ix] The information for irrigation projects was obtained from the GAO report and FY 2009 Budget, the Dakota Water Resources Act of 2000, and information provided directly by Tribal water officials, BIA officials, and BOR officials.

[x] The Bureau of Indian Affairs has an MOU with Earth Systems Research Institute to provide HAZUS software at no cost to tribes. Training is available through the FEMA Emergency Management Institute to learn GIS functions and operations. Funding per tribe: $25,000 GIS workstations, plotter, and sub meter GPS units, $25,000 aerial photography, $75,000 tribal technical staff, $50,000 maintenance.

[xi] Funding per tribe includes: $15 million computer aided dispatch systems/integrated and interoperable and communications systems, $350,000 maintenance, $1 million automated alert, notification and warning systems/staffing, $150,000 maintenance/staffing, $2 million general emergency management development, planning, training, equipment, and exercise/staffing, and $1 million maintenance and support.

[xii] Includes: $2.45 million for procure backup emergency generators for transmission and 10-day fuel supply, $1.225 million – backup transmitter

$1.225 million – emergency Wi-Fi laptop, $1.575 million emergency web equipment and backup IT servers and installation $1.05 million emergency satellite phone, two-way radio and go kits $245,000 auxiliary Site STL.

[xiii] Testimony of W. Patrick Ragsdale, Director, Bureau of Indian Affairs, before the Senate Committee on Indian Affairs. May 17, 2007, *available at* http://indian.senate.gov/public/_files/Ragsdale051707.pdf.

[xiv] Office of Inspector General, Department of Interior, "Neither Safe Nor Secure: An Assessment of Indian Detention Facilities," September 2004, *available at* http://www.doioig.gov/upload/IndianCountryDetentionFinal%20Report.pdf.

[xv] *Ibid.*

[xvi] Center for Urban Policy Research, Edward J. Bloustein School of Planning and Public Policy, Rutgers University. 2004. *Housing and Economic Development in Indian Country: Challenge and Opportunity.*

[xvii] Surety and Fidelity Association of America, based on 39% loss ratio(net losses on premiums) average over a ten-year period (1997 to 2007) of incurred losses over written premiums.

THE ECONOMIC STIMULUS PACKAGE SHOULD INCLUDE $37.5 MILLION TO PROVIDE FULL FUNDING FOR THE ADMINISTRATIVE COSTS INCURRED BY INDIAN TRIBES WHICH OPERATE FEDERAL INDIAN SCHOOLS

Federal Indian School System. The Federal Government has total responsibility for the support of 183 Federal schools for Indian children, nearly all of which are located in Indian reservation communities. Federal law and policy encourage Indian tribes to take over direct operation of these schools from the Bureau of Indian Affairs in the Interior Department, with the promise that tribes will be supplied with funds for administrative expenses they incur for operation of these schools. A statute establishes a formula which identifies the portion of Indian school funding needed to cover these administrative costs. 25 USC §2008(d). For *decades*, however, this promise has been consistently broken. For example, in School Year 07-08, 125 of the schools were operated by tribes, but the Congress appropriated only 65.75% of the amount needed to properly fund the administrative cost formula.

Impact of this dire shortfall. A funding shortfall of this magnitude jeopardizes all tribally-operated schools' ability to comply with legal requirements and sound management standards. In areas such as fiscal, procurement, personnel and property management; insurance; grant oversight; recordkeeping; auditing; legal and security, a school's costs steadily *increase*. Yet for the past several years, the amount supplied to cover these costs – so fundamental to prudent operations – has actually *declined*. How, for example, can a tribal school comply with mandated internal control standards when it cannot afford to hire the minimum administrative staff needed to implement those standards?

Relevance to Economic Stimulus Legislation. A critical goal of the Economic Stimulus legislation is job creation. Congress must assure that Indian communities, which chronically suffer from some of the highest unemployment rates in the nation, have an equal opportunity to put people to work in meaningful and needed jobs. Proper funding of Indian school administrative costs will help achieve this goal in Indian Country. Tribes would be in a position to immediately fill business office, property management and other vital School administrative staff positions and to comply with the fiscal management requirements of their Federal grants and contracts.

Calculation of Funding Request. The Economic Stimulus legislation should supply $37.5 million to the Bureau of Indian Affairs to fully fund the administrative cost needs of tribally-operated schools for the remaining part of SY2008-09 and for SY2009-10. It is calculated on information supplied by BIA:

- **SY07-08:** 125 tribally-operated schools received only 65.75% of the amount required by the law.

Total need	$67 million
Appropriation	44 million
Shortfall	$23 million

- **SY08-09:** The final percentage of need funded has not yet been calculated by BIA, but it will be less than 65.75%. Using an estimated shortfall of $25 million, $12.5 million should be supplied for the remaining ½ of this school year.
- **SY09-10:** More schools are expected to be tribally-operated and eligible for administrative cost funding. A conservative estimate of the shortfall in the appropriation for SY09-10 – $25 million – is the amount that should be supplied for this upcoming school year.

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Number of Tribally-Operated Schools By State
As of SY 06-07

State	Number of Tribally-Operated Schools
Arizona	33
California	1
Florida	2
Idaho	2
Kansas	1
Louisiana	1
Maine	3
Michigan	1
Minnesota	3
Mississippi	8
Montana	2
North Carolina	1
North Dakota	13
New Mexico	18
Nevada	2
Oklahoma	4
South Dakota	18
Utah	1
Washington	8
Wyoming	1

PREPARED STATEMENT OF KARA BRUNDIN-MILLER, TRIBAL CHAIRPERSON, SMITH RIVER RANCHERIA

Chairman Dorgan, Ranking Member Murkowski, and distinguished Committee members, please accept this testimony on behalf of the Smith River Rancheria, a federally recognized Indian tribe of Tolowa Indians that is located in the Pacific Northwest three miles south of the Oregon-California border. The Smith River Rancheria consists of 1,253 Tribal members who form the general membership. My name is Kara Brundin-Miller and I am Tribal Chairperson of the Smith River Rancheria and I appreciate the opportunity to comment on massive economic recovery legislation that is being developed by Congress. I have provided information about the Smith River Rancheria's transportation planning process to illustrate not only the transportation needs in Indian country, but that funding can be used to address many of these needs as quickly as funding can be made available.

The poor condition of roads and bridges in Indian country continues to jeopardize the safety of Tribal members and the traveling public. In response, Tribes from around the country have submitted countless numbers of shovel-ready projects to the Bureau of Indian Affairs and the Federal Highway Administration in hopes of obtaining funding for transportation improvements. Without these improvements, the health, safety, security and economic well-being of Smith River Rancheria Tribal members, and members of Tribes around the country will continue to be at risk. This is why it is imperative that Congress include sufficient funding for the Indian Reservation Roads (IRR) Program and other Tribal transportation programs when it takes up the Economic Recovery and Reinvestment Plan so that Tribes can make necessary transportation improvements in Indian Country.

The Smith River Rancheria has used its limited resources to do what it can to meet the transportation and safety needs of pedestrians, bicyclists, and motorists that travel through the Smith River Rancheria, and we have worked diligently to instill the values of livability and walk-ability in all of our transportation systems. We have actively sought out opportunities to collaborate with the states of California and Oregon, and we have worked with the counties of Del Norte and Curry to promote self-determination and cooperation. We have also sought to integrate these systems with our elder housing, health clinic, social services, and economic programs for the benefit of our region.

Over two years ago, the Tribe, with funding assistance from the California Department of Transportation's (Caltrans) Environmental Justice/Community-Based Transportation Planning Program, initiated a comprehensive and nationally-recognized planning process to improve the safety and construction of our tribal, local, state and federal roads that will contribute to economic development in the region. As a culmination of this planning process, Smith River Rancheria is in need of funding for the North/South Indian Road Safety Project, which will make the intersection of North/South Indian Road and Highway 101 safer for vehicles and pedestrians. This intersection is at the heart of the Rancheria and is heavily traveled because of its proximity to the Tribe's medical clinic, Head Start building, cultural center, and various other heavily visited areas. Currently, the road is not wide enough to accommodate the volume of traffic traveling on Highway 101 (which is only expected to increase) and it does not have sidewalks or other pedestrian pathways, which forces people to walk on the edge of this busy highway.

A Traffic Accident Summary Report that was provided by Caltrans for this project area corridor over a five year period (2002–2007) provides additional details. Over this 5-year report period, there were a total of 138 collisions, which included 80 that involved property damage only, 51 involving injuries, and 7 fatalities; and traffic has only increased as the Tribe has continued to grow. An additional accident on Dr. Fine Bridge over the wild and scenic Smith River since the end of this reporting period resulted in another fatality for a total of 139 accidents and 8 fatalities over the last 5 years. The Traffic Accident Summary provides additional information as presented below:

Primary Collision Factor	Type of Collision
28% Improper turn	45% Hit Object
24% Speeding	23% Rear-end
12% Other	13% Broadside
10% Alcohol	6.5% Overturn
8% Failure to Yield	4.3% Heads-on
1.4% Fell asleep	7% Sideswipe
	0.7% Auto/pedestrian

The North/South Indian Road Safety Project is an Indian Reservation Roads (IRR) transportation facility and is included on the federal IRR Inventory. This project was approved and certified in a special session of the Tribal Council on December 13, 2008. The Tribe has authorized the Federal Highway Administration (FHWA) and the Bureau of Indian Affairs (BIA/DOT) to place this project on an IRR HPP Transportation Improvement Project list if the project is selected and approved for funding.

This project is shovel-ready and can be completed in three phases. The Smith River intends to contribute approximately 50 percent of the funding for Phase 1 of this project and 12 percent of the total project cost.

1. **Phase 1 ($1 million)**: Improve vehicle and pedestrian safety by constructing storm drain system, curb, gutter and sidewalk on south side of North Indian Road, east of Highway 101 and Pedestrian walkway and planter strip on the west side of South Indian Road.

   Status: completed PSE and BIA's Environmental Assessment (EA)/Finding of No Significant Impact (FONSI). Amount of IRR HPP funds requested: $1 million.

2. **Phase 2 ($3.5 million)**: Underground overhead utilities (electric, TV, cable) Widen roadway and expand shoulders, construct overlay and stripe.

   Status: Initial environmental review and geotechnical completed and PSE initiated, depending on review and approvals, PSE will be completed in 90–180 days.

3. **Phase 3 ($1 million)**: Traffic calming at intersections with State Highway 101 (i.e. roundabout, stoplight, pork chop islands, etc.).

   Status: Initial environmental review and geotechnical completed and PSE initiated, coordinating with Caltrans for necessary design input and approval, PSE can be completed in 180+ days.

I would like to thank you again, Chairman Dorgan, Ranking Member Murkowski, and Members of the Committee for the opportunity to testify today on behalf of the Smith River Rancheria. Again, it is imperative that Congress include sufficient funding for the Indian Reservation Roads (IRR) Program and other Tribal transportation programs when it takes up the massive economic recovery legislation. I have provided information about the Smith River Rancheria's transportation planning process to illustrate not only the transportation needs in Indian country, but that funding can be used to address many of these needs as quickly as funding can be made available. Should you have any additional questions, please contact the Tribe's Tribal Administrator, Russ Crabtree at *russ.crabtree@tolowa-nsn.gov* or 707–487–9255.

Central Council
Tlingit and Haida
Indian Tribes of Alaska

CENTRAL COUNCIL
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TESTIMONY OF THE HONORABLE WILLIAM MARTIN
PRESIDENT
CENTRAL COUNCIL OF TLINGIT AND HAIDA INDIAN TRIBES OF ALASKA

BEFORE

THE SENATE COMMITTEE ON INDIAN AFFAIRS

OVERSIGHT HEARING
JANUARY 15, 2009

ON PROPOSALS TO CREATE JOBS
AND STIMULATE INDIAN COUNTRY ECONOMIES

INTRODUCTION

Good afternoon, Chairman Dorgan and members of the Committee. I thank you for this opportunity to provide testimony to the Committee on some ideas my Tribe has proposed that would immediately create jobs for Native American Indians and immediately improve the economy in our Native communities.

My name is William Martin. I am the elected President of my Tribe, the Central Council of Tlingit and Haida Indian Tribes of Alaska, headquartered in Juneau, Alaska. We have over 27,000 tribal members, many of whom reside in isolated Native communities throughout southeast Alaska devastated by the recession and high fuel costs.

WEATHERIZATION PILOT PROJECT

Central Council has proposed a pilot project that would directly and tangibly meet all of the goals of the latest economic stimulus package and recovery plan.

Our plan would quickly create 3,400 jobs and cut energy costs and boost household spending for 7,000 Indian families by improving home energy efficiency in Southeast Alaska Native communities. We call our tribal weatherization pilot project our Tribal Emergency Program for Energy Efficiency, or TEPEE, for short.

WHY WEATHERIZATION IS THE BEST STIMULUS PROGRAM FOR INDIAN COUNTRY

The cost to heat and electrify their homes is a significant burden for many Native American Indians. Nationwide, Native American households spend on average of 4 percent of their annual family income on electricity, with the poorest households paying nearly 20 percent of their annual income[1]. In Alaska, where most of the Native population resides in isolated, rural communities and depends on deliveries of diesel (also known as heating oil) for heating and electricity generation, the burden of high energy costs is overwhelming. According to one study, in 2008 rural Alaskans were facing annual energy costs of $7,600 per household, which for median households represented around 14 percent of their income.[2] Remote households with the lowest incomes pay an even higher portion of their income for energy—a shocking forty-seven percent.[3]

High energy costs often result from poor construction and poor insulation - common features in the homes of the poorest tribal families. The Department of Energy estimates that on average, a home energy bill can be reduced by 30% with basic energy efficiency improvements. In Alaska, where close to eighty percent of rural residents use diesel to heat and electrify their homes, investing in energy efficiency improvements and weatherization presents a unique opportunity to cut dependence on fossil fuels, increase disposable incomes, and quickly create thousands of construction jobs.

While the State of Alaska and federal governments have recognized this problem and have allocated millions of dollars for energy efficiency and weatherization programs, these funds simply do not reach Indian Country in Alaska or other states. State and federal weatherization programs are administered by bureaucracies that tend to view Indian Country as a problem instead of an opportunity.

FEDERAL/STATE WEATHERIZATION PROGRAMS DON'T WORK IN INDIAN COUNTRY

State and federal weatherization programs require a cumbersome income and energy assessment process that wastes lots of time coming up with fairly useless information in poverty-stricken, rural Native communities. For example, the state program in Alaska currently requires state-certified energy raters for the initial assessment in order for homeowners to qualify for state reimbursements. In Southeast Alaska – a region that has close to 14,000 occupied housing units[4] - presently there are only four state-certified energy assessors. As a result, local residents who are trying to use the program are reporting waiting periods of up to one year to get the initial assessment done. After the initial assessment, a home owner is typically required to bear the costs of energy improvements until the state reimbursements come in. Homeowners have to pay out of pocket for qualified improvements, and then conduct another assessment by a state-certified energy rater, which again puts them on another long waiting list. After the second assessment is completed, the partial or full reimbursement may be issued by the state within three months. The whole process, from application to state reimbursement, may take literally years. Most low- to medium- income families simply cannot afford to wait that long, and cannot afford to make the initial outlay of $10,000 or more in today's difficult economy and bear the risk of never being fully reimbursed.

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[1] Energy Information Administration, Department of Energy, Report: Energy Consumption and Renewable Energy Development Potential on Indian Lands, April 2000.

[2] Institute of Social and Economic Research, University of Alaska Anchorage, Report: Estimated Household Costs for Home Energy Use, May 2008 (Revised June 24, 2008).

[3] Energy Information Administration, Department of Energy, Report: Energy Consumption and Renewable Energy Development Potential on Indian Lands, April 2000.

Existing government weatherization programs are bankrupt. They just do not work in Indian Country. Moreover, current energy efficiency and weatherization programs in the state of Alaska cover only owner-occupied housing and ignore the rest - rental and other units housing low-income families most in need of the economic relief of lower energy bills.

Existing state and federal programs don't fit Indian Country. They are not flexible enough to get stimulus money into the economy quickly and create jobs and energy cost savings.

TRIBAL TEPEE -- THE BEST DELIVERY SYSTEM FOR PUTTING EMERGENCY WEATHERIZATION FUNDING TO WORK RIGHT AWAY

Tribes are in a unique position to deliver effective and flexible region-wide home energy efficiency and weatherization programs. Central Council believes Indian Country, and the members of this Committee, should request that $1 billion be added to the economic stimulus and economic recovery package in one-time, emergency funding, to be allocated to the tribal priority budget accounts of tribal governments administering federal funds under Pub.L. 93-638 (self-determination and self-governance) for immediate weatherization rehabilitation of homes in tribal communities in a special, Tribal Emergency Project for Energy Efficiency or TEPEE. The Snyder Act already provides general authority for TEPEE. Most tribes have housing improvement programs able to administer housing rehabilitation funds.

The TEPEE pilot project proposed by Central Council of Tlingit and Haida Indian Tribes of Alaska, if funded at $140 million, would quickly create 3,400 jobs for Natives and cut energy costs for 7,000 Native families. [See the attached 3-page summary of the Central Council project plan and justification.]

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[4] Census 2000.

Actual work on such TEPEE projects could begin in less than 3 months and create a burst of housing rehabilitation activity that would employ tens of thousands of Indians in high unemployment areas, purchase hundreds of millions of dollars worth of supplies in economically depressed communities, and save tens of thousands of Native families living in Indian Country about $2,300 a year each would otherwise be forced to spend on home energy costs.

In contrast to state and federal programs, the TEPEE program would use the BIA's TPA budget account, rather than the weatherization program of the DoE, to bypass the Federal-State process and fund tribes directly to administer a Self-Determination and Self-Governance Tribal Weatherization project for Native families in tribal service areas.

The TEPEE initiative would quickly create the following types of jobs: Electricians, Heating/Air Conditioning Installers, Carpenters, Construction Equipment Operators, Roofers, Insulation Workers, Carpenter Helpers, Industrial Truck Drivers, Construction Managers, Building Inspectors, Trainers and Trainees. Previously underemployed workers would gain valuable trade skills in this emergency project which will position them to capture other work as the private sector economy recovers.

TEPEE weatherization would not only quickly create jobs, train workers, purchase supplies and increase disposable income through energy cost savings, it would also reduce greenhouse gas emissions and dependence on fossil fuels through energy conservation. Tribes like Central Council should be used as the direct administrators of TEPEE funding because tribal governments now administer the most efficient, most accountable and ready-to-build delivery systems in Indian communities.

CONCLUSION

Thank you for this opportunity to describe our TEPEE proposal. If it cannot be funded throughout Indian Country, we at least ask that this Committee persuade the Congress to fund our Southeast Alaska pilot project at $140 million. Our people in Southeast Alaska are in desperate need and could really use this help. Central Council stands ready and able, if funded, to put this assistance to work right away, hiring thousands of people, purchasing supplies, saving fossil fuel, and saving Native families thousands of dollars each year in disposable income. Central Council has a respected infrastructure in place and a long track record of frugal and productive administration of such programs. All we need is the money. Thank you for listening and considering our request. Gunalchèesh, Howáa.

Attachment: Central Council proposal for Southeast Alaska emergency weatherization

CCTHITA Southeast Alaska Energy Efficiency Initiative

January 6, 2009

A tribal program to quickly create 3,400 jobs and cut energy costs for 7,000 families by improving home energy efficiency in Southeast Alaska Native communities

About CCTHITA

Central Council of the Tlingit and Haida Indian Tribes of Alaska (CCTHITA) is a federally recognized tribal government representing approximately 27,000 Tlingit and Haida Indians. CCTHITA tribal service area covers the Southeast region of Alaska and is comprised of 24 isolated Native communities and 19 federally recognized Indian tribes. Residents pay about twice as much as other Americans to heat and light their homes. High energy costs have crippled economic development in the region. Region-wide unemployment rates exceeded 30%[1] before the recent recession began, and in many of our rural communities, the unemployment rate exceeds 80%.

Overview – CCTHITA Emergency Energy Conservation Project

There are about 13,000 occupied housing units in the Southeast region of Alaska. Approximately 7,000 of these homes may not get adequate assistance through existing weatherization efforts.[2] CCTHITA requests economic stimulus funding to quickly make energy efficiency improvements to these 7,000 homes.

Jobs Impact of Three Levels of Funding [see attached table]

If our project is funded at $140 million to make energy-efficiency upgrades to 7,000 homes -- it will create up to 3,400 direct, indirect, and induced jobs; and will lower our regional unemployment rate by 3%.

If our project is funded at $100 million to make energy-efficiency upgrades to 5,000 homes -- it will create up to 2,300 direct, indirect, and induced jobs and will lower our regional unemployment rate by 2.2%.

If our project is funded at $60 million to make energy-efficiency upgrades to 3,000 homes -- it will create up to 1,300 direct, indirect, and induced jobs and will lower our regional unemployment rate by 1.5%.

Number and Types of Jobs Created

Our CCTHITA region-wide energy efficiency initiative will create and sustain the following types of jobs: Electricians, Heating/Air Conditioning Installers, Carpenters, Construction Equipment Operators, Roofers, Insulation Workers, Carpenter Helpers, Industrial Truck Drivers, Construction Managers, Building Inspectors, Trainers and Trainees. We anticipate immediately hiring trained personnel from the private sector construction trades to train trainees and to supervise installation. Some of this employment will be by direct hire to CCTHITA through our existing Village-based program structure; some of this employment will result from subcontractor companies CCTHITA hires from the private sector.

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[1] Alaska Community Database, Department of Commerce, Community and Economic Development, State of Alaska – Census 2000, 2007 Estimates by the Department, Adults over 16 years old not working category. Data extraction for the following communities: Angoon, Craig, Haines, Hoonah, Hydaburg, Juneau, Kake, Kasaan, Ketchikan, Klawock, Klukwan, Metlakatla, Pelican, Petersburg, Saxman, Sitka, Wrangell, and Yakutat.

[2] Alaska Community Database, Department of Commerce, Community and Economic Development, State of Alaska.

Project Results

The number of direct, indirect, and induced effects jobs created by the project is shown in the table below. Direct Jobs Created (Column 4) are construction jobs created by retrofitting buildings to make them more energy efficient.[3] Indirect Jobs Created (Column 5) are manufacturing and service jobs created in associated industries that supply intermediate goods for building retrofits, such as lumber, steel, and transportation. Induced Effects Jobs Created (Column 6) are retail and wholesale jobs created by workers in construction, manufacturing, and service industries when they spend the money they earn on other products in the economy.[4]

The total number of jobs created by the project will range from 1,300 to 3,400 jobs, depending on the funding level.

Domestic-U.S. Content

The proposed CCTHITA energy efficiency initiative will rely almost entirely on domestic U.S.-made technologies, materials, and products, such as high-performance windows, efficient heating, ventilation and air conditioning systems, efficient lighting and day-lighting, and efficient appliances. It is estimated that only about 9 percent of project funding will be spent on imported goods and services. Column 8 of the table shows the amount of program funds that will be spent on domestic goods and services. Amount of funds spent on domestic goods and services will range from $54.6 to $127.4 million, depending on the funding level.

Annual Savings from the Investment in the CCTHITA Alaska Energy Efficiency Initiative Will Result in More Disposable Income to Stimulate the Economy

According to a 2008 study, a household living in rural Alaska paid an average of $7,710 for home energy use in 2007.[5] It is estimated, that home energy bill can be reduced by 30% with energy efficiency improvements.[6] Therefore, with energy efficiency improvements we could increase the annual disposable income of a household in rural Alaska by up to $2,313. Knowing that around 78% of household income is spent on domestic products, we can estimate how much of that additional disposable income due to lower energy costs will enter the United States economy during the next 25 years (estimated life of energy efficiency improvements). Increased disposable income spending on domestic products will range from $173 million to $400 million depending on the funding level. Please see column 9 of the table below.

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[3] A recent study by the National Association of Home Builders (NAHB) notes that 1.11 jobs is generated directly for every $100,000 spent on residential remodeling in a typical metropolitan area of the United States. The study notes, that the report could be used to estimate job creation arising from energy efficient retrofit projects. - Helen Fei Liu and Paul Emrath (October 7, 2008). "The Direct Impact of Home Building and Remodeling on the U.S. Economy," National Association of Home Builders, p. 1.

[4] The Indirect Jobs Created and the Induced Effects Jobs Created are calculated based on information provided by the Department of Economics and Political Economy Research Institute (PERI) of the University of Massachusetts-Amherst – "Green Recovery – A program to create jobs and start building a low carbon economy."

[5] Alaska Institute for Social and Economic Research, "How would $1,200 per person state payments compare with increased household cost for energy use?" Note #3, July 11, 2008.

[6] United States Department of Energy.

Impact of Funding Levels for CCTHITA's Alaska Energy Efficiency Project -- $140, $100, or $60 Million
January 6, 2009

(1) Funding Level ($20,000 per housing unit)	(2) Impact on Regional Unemployment Rate Current Regional Unemployment Rate: 33%	(3) Number of Homes Retrofitted	(4) Total Number of Jobs Created (Includes direct, indirect, and induced jobs)	(5) Number of Direct Jobs Created	(6) Number of Indirect Jobs Created (Manufacturing and service jobs in associated industries)	(7) Number of Induced Effects Jobs Created (Retail and wholesale jobs)	(8) Project Spending on Domestic Content (Estimated at 91% of project costs)	(9) Additional Disposable Income Available for Domestic Spending Over the Next 25 Years Due to Lower Energy Costs
$ 140 million	Regional Unemployment will Decrease by 3.0%	7,000 homes	***3,400 jobs***	1,600 jobs	1,000 jobs	800 jobs	$ 127.4 million	$ 400 million
$ 100 million	Regional Unemployment will Decrease by 2.2%	5,000 homes	***2,300 jobs***	1,100 jobs	700 jobs	500 jobs	$ 91 million	$ 289 million
$ 60 million	Regional Unemployment will Decrease by 1.5%	3,000 homes	***1,300 jobs***	700 jobs	400 jobs	200 jobs	$ 54.6 million	$ 173 million

PREPARED STATEMENT OF HON. CHRIS DEVERS, CHAIRMAN, PAUMA BAND OF MISSION INDIANS; CHAIRMAN, COUNCIL OF ENERGY RESOURCE TRIBES

Introduction

Good afternoon Chairman Dorgan, Vice Chairman Murkowski, and distinguished members of the Committee on Indian Affairs. I want to thank you for your leadership in holding today's hearing on "Job Creation and the Economic Stimulus Plan in Indian Country" because Indian people are being hit hard by the current economic challenges we are facing in America.

My name is Chris Devers and I am Chairman of the Pauma Band of Mission Indians in California. I am also Chairman of the Council of Energy Resource Tribes (CERT) which is located in Denver, CO. On behalf of the 57 member Indian tribes of CERT, I am pleased to submit for the Committee's consideration the following statement regarding energy development, environmental stewardship, and job creation in Indian Country.

CERT was founded in 1975 by American Indian tribal leaders when our country was in the midst of what was then known as the "Arab Oil Embargo." The embargo was put in place by the Organization of Petroleum Exporting Countries in response to America's support for Israel in the 1973 Arab-Israeli War. Many of us remember that the embargo caught America flat-footed and resulted in higher prices for heating oil and gas rationing that created long lines at the gas stations.

Back then, our national leaders promised that we would "end our dependence on foreign oil" and return America to a position of unquestioned strength in the world. Well, here we are nearly 40 years later and our dependence on imported oil and even natural gas has, incredibly, grown worse. The reason I raise the issue of historical context is that the mission of CERT is to support its member Indian tribes in the development of their management capabilities and the use of their energy resources to build sustainable economies and strong political institutions.

For purposes of today's hearing, the point is that *American Indian energy* development is *American energy* development and with it comes job creation and increases in household incomes for those that work in the energy sector.

The Unmatched Potential of American Indian Energy

American Indian energy holds enormous potential to create thousands of good-paying jobs, generate revenues, and aid in the development of tribal economies as well as help satisfy the American economy's need for a reliable energy supply. Three factors contribute to this scenario:

1. The enormous reserves of oil, gas, coal, and renewable resources owned by Indian tribes;
2. The pricing environment for energy products; and
3. The enactment by Congress in 2005 and 2007 of classically liberal, pro-production energy policies. [1]

One merely witness the phenomenal success of the Southern Ute Indian Tribe in southwest Colorado, the Ute Tribe of the Uintah and Ouray Reservation in northeast Utah, and the Osage Nation in eastern Oklahoma to understand that American Indian energy resources, developed properly, can transform Indian economies and assist tribes in achieving real and lasting self determination.

1. Indian Tribal Energy Resources and the Pricing Environment

American Indian tribes in the lower 48 states—especially those in the Rocky Mountain west—own an enormous amount of energy resources. With the current Federal restrictions on exploring for energy in the Great Lakes, the eastern portion of the Gulf of Mexico, the California coastline, and the Alaska National Wildlife Refuge (ANWR), Indian tribal resources and lands in the Rocky Mountain West present one of the most significant opportunities for domestic production in the United States.

In what is now a dated analysis, in 2001 the U.S. Department of the Interior (DOI) estimated the total dollar value of energy produced from Indian tribal lands for the period 1934–2001 to be $34 billion. These revenues derived from 743 million tons of coal, 6.5 billion cubic feet of natural gas, and 1.6 million barrels of oil. In terms of undeveloped reserves and undiscovered resources, the DOI projected that Indian tribal lands could prospectively generate **$875 billion**, derived from 53 billion tons of coal, 37 billion cubic feet of natural gas, and 5.3 million barrels of oil.

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[1] These are the *Energy Policy Act* of 2005 (Pub.L. 109–58) and the *Energy Independence and Security Act of 2007* (Pub.L. 110–240). Both statutes contain provisions favorable to Indian tribal energy development and environmental management.

These projections were made in 2001 and in the intervening 7 years, the price of energy products has increased significantly so that, currently, the likely revenue projection would be nearly **$1.5 trillion**. A comparison of the 2001 and 2008 prices for oil, gas and coal is illustrative:

	1934–2001 (2001 Prices)	2001–Forward (2008 Prices)
Oil	$15 Billion	$715 Billion
Gas	$7.9 Billion	$227 Billion
Coal	$10.6 Billion	$537 Billion
Total	$33.5 billion	$1.479 trillion

2. The New Energy Laws of 2005 and 2007

On August 8, 2005, President Bush signed into law the Energy Policy Act of 2005 (Pub.L. 109–58) which included as title V the *Indian Tribal Energy Development and Self-Determination Act*. The new law authorizes a variety of Federal technical and financial assistance to participating Indian tribes and seeks to reduce administrative obstacles at the Federal level to encourage greater levels of energy development on tribal lands.

Unlike some congressional enactments, the new Indian tribal energy law does not discriminate in terms of renewable versus non-renewable resources. Instead, the law leaves the decisions over whether and how to develop tribal energy resources to the Indian tribe and the energy markets. The centerpiece of the new law is the authority provided to the Secretary of the Interior to negotiate and enter agreements with willing tribes that would govern energy and related environmental activities on tribal lands.

Similarly, in 2007, Congress enacted and the President signed the *Energy Independence and Security Act* (EISA, Pub.L. 110–140). The EISA contains significant opportunities for Indian tribes and tribal colleges to receive research, development, and production grants related to renewable and alternative energy development. The Act authorizes tens of billions of dollars for these purposes and represents the most significant energy research law to be enacted in years.

3. The Next Step is Actual Project Development

The new energy laws were signed into law in 2005 and 2007 and the regulations to implement them are now in effect. For the past four fiscal years, the Congress has appropriated funds for the Department of Interior's Office of Indian Energy and Economic Development and the Department of Energy's Office of Indian Policy and Programs, both of which are charged with administering the new laws.

These offices have been very active and responsive to the potential for Indian tribal energy and have assisted Indian tribes that seek to develop their energy resources.

CERT's perspective on all of these developments is that the next steps involve Indian tribes inventorying their energy resources, identifying potential projects, and working with energy and financial partners to bring these projects to completion.

The Economic Stimulus Plan and Indian Energy

On January 9, 2009, this Committee's leaders, along with 13 other U.S. Senators, issued a letter to President-elect Obama urging the inclusion of billions of dollars in Indian tribal projects in the Economic Stimulus Plan. CERT and its member tribes were happy to note the inclusion of some $4.4 million for energy development on Indian lands.

As CERT understands the discussions now taking place, in order for specific projects to benefit from the Economic Stimulus Plan, they must (1) spend the funding quickly, (2) create jobs in the short-term, and (3) constitute and serve sound national economic policy in the long-term.

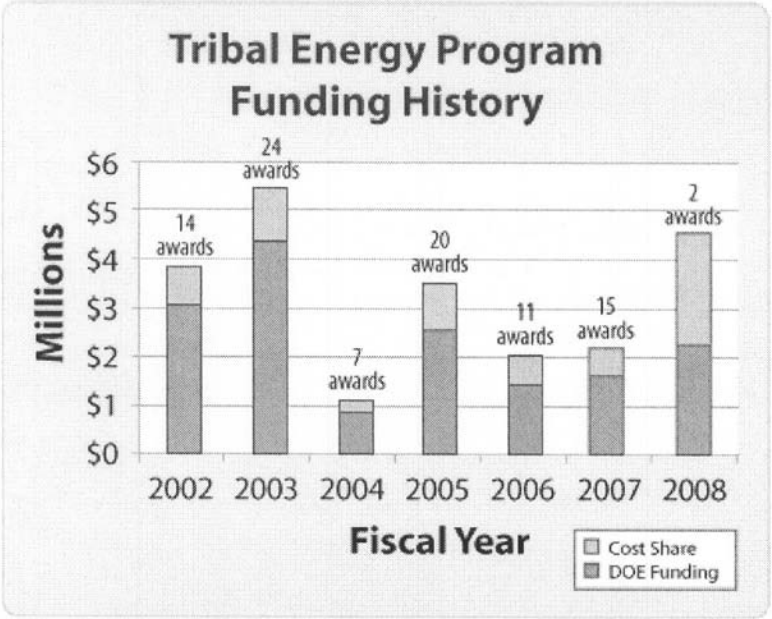
In addition to enormous amounts of non-renewable resources, primarily oil, natural gas, coal, and coal bed methane, Indian tribes have significant development potential in renewable sources of energy such as wind, solar, hydro, biomass, geothermal, and others.

Reliable information suggests that the vast majority of potential renewable energy projects in Native communities are modest in size and more akin to the community development scale than the commercial utility scale. As a result, most of these projects might only require an environmental assessment and not a full-blown environmental impact statement under the National Environmental Policy Act (NEPA). More often than not, these projects require Federal support to fund the construction costs in order for them to proceed to construction.

1. DOE's Recent History of Funding Renewable Projects on Tribal Lands

From 2002 to 2008, the U.S. Department of Energy's Tribal Energy Program funded 93 tribal energy projects totaling $16.5 million. These federal funds were leveraged by $6.4 million in cost-share contributed by participating tribes.

The following chart relating to tribal renewable projects is derived from the DOE's website.



Given the funding history of the last 7 years as well as the significant additional and unmet demand for financial support for other tribal projects, additional funding of approximately $200 million is justified. Not reflected in the DOE's funding history is the lack of energy-related infrastructure needed to facilitate and serve these projects and make them viable. Such infrastructure includes transmission lines, electrical lines and similar infrastructure that would require addition hundreds of millions in Federal assistance.

2. Proposal for a "National Tribal Energy Efficiency Initiative"

In addition to renewable projects, there is another initiative that would satisfy the criteria laid out above and it would (1) generate more jobs in the short-run and long-run; (2) cost less in terms of Federal dollars; (3) have greater environmental impacts in Indian Country; and (4) produce greater economic benefits for virtually every Indian tribe and have the greatest impact on the tribes with the largest number of poor and working poor families. The initiative CERT has in mind would be something along the lines of a "National Tribal Energy Efficiency Initiative" that could fund virtually every Indian tribe. The initiative would be massive but, if properly structured, would maximize the use of local labor and local Indian contractors.

In addition to home weatherization, the initiative could include all tribal government buildings and Federal facilities located on tribal lands. The high cost of heating and cooling because of poorly-constructed and poorly-insulated buildings equipped with highly inefficient lighting and H–VAC systems erodes program budgets, reduces services and produces environments that are not healthy for workers or for people who use access the facilities. It would dramatically reduce the operating and maintenance costs for health clinics, hospitals, schools and tribal colleges, tribal administrative buildings, and other structures on tribal lands.

The initiative would also have an immediate impact on the utility bills for heating for the most vulnerable Indian populations in the Northern tier of the country from the Pacific Northwest to Maine, the Tribes of the Four Corners Area, and the poor families of the Oklahoma Indian Tribes. And for the desert southwest Tribes, their weather related issues come in the summer months. Regardless of their geography, all of the Tribes have vulnerable populations: the elderly, infants and the disabled.

In a relatively short period of years, the initiative would transform Indian Country from among the most energy *inefficient* to among the more energy *efficient* and would lead to better health, more efficient programs and more competitive tribal economies. The energy savings could be measured in real dollars because the good thing about energy efficiency is that the savings are not one-time occurrences but accrue year after year. Even a massive Federal expenditure in an initiative of this type would be repaid in savings in 3 to 5 years, and would continue for another 10 to 20 years, depending on building maintenance.

For this initiative to succeed, the funding would need to be administered through an agency that is able to direct the money very quickly to each interested Indian Tribe. One way to expedite the funding process would be to convene regional "pre-application workshops" so interested and eligible Indian tribes could respond appropriately to the agency distributing the funding. If the funds were routed through the Administration for Native Americans (ANA) in the Department of Health and Human Services, that agency would do a superb job of fund distribution with minimal red-tape because it has a demonstrated ability to move money very quickly into tribal programs. The ANA has a network of regional and national technical assistance contractors already in place to provide the workshops and hands-on technical assistance to ensure every interested and eligible Indian Tribe has the best chance to access the program.

In addition to CERT, there are other national Indian organizations that could be of assistance in mobilizing Indian contractors and the local pool of Indian labor such as the National Council on Tribal Employment Rights (NCTERO) which has a national network of local TERO offices that have data on the local workforce and the relationship with labor unions for training and apprenticeship programs, as well as data on local, Indian-owned companies. The National Center for American Indian Enterprise Development (NCAIED) has an excellent network of larger Indian and tribal construction companies as well as a network of major private sector companies, such as Home Depot, that might be included in such an initiative to supply the material needed for these activities.

Conclusion

Mr. Chairman, this concludes my statement and I thank you again for the opportunity to share CERT's perspectives with you and the Committee on Indian Affairs.

PREPARED STATEMENT OF CHAD SMITH, PRINCIPAL CHIEF, CHEROKEE NATION

On behalf of the Cherokee Nation, I submit the Cherokee Nation's Economic Stimulus Proposal for inclusion in the written testimony. We appreciate the Committee's concern for job creation and economic stimulus throughout Indian Country. The upcoming American Economy Recovery Act has an opportunity to provide technical changes to programs, like the access to increased tax credits, and fund infrastructure projects that are ready-to-go. I reiterate the importance of incorporating a mix of capital investments and changes to existing programs to best empower Native people. Specifically, within the Cherokee Nation, there are three integral priorities that shape our Economic Stimulus Proposals: jobs, language and community.

The Nation has been steadily working toward its goal of self-reliance through creating sustainable economic growth among its citizens. The Cherokee Nation has already decreased its dependence on government funding by more than 20% in the past seven years by focusing on the priorities of jobs, language and community. The Nation is actively creating new jobs and purposely fostering the entrepreneurial spirit in Oklahoma. By giving money to these programs, the outcome will be an alleviated burden on the Federal government in the future.

Jobs, Language and Community projects have been planned and are ***ready-to-go*** with the right capital investment. We have identified projects that have high return on investment as well as quick impact to the economy. The Nation will leverage its own funds as well as third party partnerships alongside the federal capital investment. This will ensure that the Nation builds a sustainable economy supporting a healthy and happy people, for our citizens as well as other residents of the Cherokee Nation in Northeastern Oklahoma.

The Nation, as well as most other tribal governments, has a unique funding mechanism with the United States that is already in place: Self-Determination Contracts and Compacts. These contracts and compacts are funding vehicles that can be used ***immediately***, without having to enter into a block grant, cooperative agreement or other means that can require months to achieve. These contracts and compacts are already open and can be quickly modified to inject economic stimulus projects into Indian Country.

I also request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities. This vital request is endorsed by both the National Indian Health Board and the National Congress of American Indians (NCAI).

Funding the contract support cost shortfall will lead directly to both increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities which are struggling as much as any in America to deal with the current economic crisis.

Additionally, we also support the stimulus proposal offered by the NCAI. It will immediately stimulate Native Communities and surrounding rural economies nationwide. Their plan would stimulate the economy by putting tens of thousands of local residents to work. To ensure tribal government inclusion, NCAI supports a $5.4 billion American Indian recovery plan.

Finally, one specific request of the Transition Team was for Native Nations to highlight cost-effective policy adjustments to improve the quality of life and daily experiences of Native communities. In addition to the capital investments requested through the economic stimulus package, increasing the New Market Tax Credits would help create thousands of jobs in Indian Country. Furthermore, these increases could create more flexibility in the 2008 allocation and thus lead to an accelerated investment process. Another no-cost avenue for using the New Market Tax Credits to benefit Indian County is to extend loan guarantees to lenders willing to provide debt for qualified investments.

Thank you for encouraging the Cherokee Nation to take a seat at the table and engage in the ongoing dialogue of our shared futures. I look forward to the 111th Congressional Session and the continuing partnerships we establish. Together we will provide more opportunities to handle the current challenges our citizens face. Please contact the Cherokee Nation Washington Office, Paula Ragsdale, Senior Legislative Officer at (202)393-7007 or pragsdale@cherokee.org should you need additional information or have questions.

PREPARED STATEMENT OF JOHN A. BARRETT, CHAIRMAN, CITIZEN POTAWATOMI NATION

On behalf of the Citizen Potawatomi Nation, I submit Tribal priorities that will promote economic growth and job creation in our community through the upcoming American Economic Recovery Act. The American Economic Recovery Act is an opportunity to not only provide much needed capital for programs and projects that are ready-to-go in Indian Country, but it also is an opportunity to improve program effectiveness and efficiency by providing technical changes for programs targeting community development.

First, please note that Indian country must be **directly** included in the economic stimulus and other initiative funding in order to bring Indian country to the same level of prosperity the rest of the Nation enjoys in health care, sanitation, education, housing, infrastructure, energy, and safety. Tribal governments have completely different funding streams that do not pass through states. Pass-through funding **will not reach Indian country** and undercuts the United States' government-to-government relationship with Indian tribes. Tribal governments are not political subdivisions of state and local governments. Tribal economies and governments must be explicitly incorporated into the American Economic Recovery Act.

To ensure tribal government inclusion, Citizen Potawatomi Nation supports the following American Indian provisions within the American Economic Recovery Act:

- **Contract Support Costs:** $285 million covering shortfalls for essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with Indian Self-Determination Act (ISDA) contracts with the Bureau of Indian Affairs. The direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The transfer of essential government operations serving tribal communities from the IHS and BIA results in increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

- **Indian Reservation Roads:** $604 million for Reservation Roads and Transportation Infrastructure for those projects that are ready-to-go. The BIA reports a $12 billion backlog in construction for Indian road projects.
- **Housing:** After careful review and analysis of project information, the National American Indian Housing Council ("NAIHC") has determined that there are $1.6 billion in "shovel-ready" projects involving housing and related projects that can and should be funded in the Economic Stimulus Plan.
- **Healthcare Services and Infrastructure:** The Tribe supports the National Indian Health Board request for $200 million for contract health services, $150 million for health information technology, and $850 million for healthcare and sanitation facility construction, maintenance, and improvement. Additionally, the Citizen Potawatomi Nation requests $500 million for the Indian Healthcare Improvement Fund that provides "catch-up" funding for those clinics and hospitals most in need. The impact of low funding for Indian country is severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending).
- **Energy, Telecommunications, Public Safety, and Justice:** The Bush administration has either cut funding or done precious little for Indian country in these areas. $1.68 billion is needed for Public Safety programs and infrastructure along with $220 million for telecommunications access and emergency management infrastructure.
- **Guaranteed Loan and Surety Bond Program:** The Citizen Potawatomi Nation, along with NCAI requests a $148 million infusion in this important BIA program in order to support Indian businesses.

In addition to providing targeted infrastructure funding to stimulate tribal economies, the American Economic Recovery Act also provides the opportunity to improve program effectiveness and efficiency by providing technical changes for policies and programs targeting community development. The Citizen Potawatomi Nation supports the following:

- **Access to Capital:** Correction of the SEC oversight of not specifically including tribes as governments for purposes of regulation and consideration as qualified investors as well as policy changes to allow tribes access to the capital markets by authorizing full use of government tax-exempt bond markets is needed to facilitate inter-tribal economic partnerships and investments.
- **Perfecting Commercial Leasehold Mortgages on Trust Property**: The lack of capital investment in Indian country continues to be a primary cause of unemployment in Indian communities. If the Federal Government, as trustee of Indian lands, would guarantee enforcement of leasehold mortgages on trust property for commercial ventures in the same manner as it presently does for housing, large amounts of capital could become available for economic development in Indian Country without any additional financial burden upon the Federal Government.

- **Assignment of Claims:** Currently, the assignment of federal contracts for services to Indian tribes is not allowed. Revenues from all other types of federal contracts can be assigned, which allows those contractors to use their federal contracts to obtain financing. Federal Indian contracts are treated differently. The argument being used to deny Indian financing is that only an Indian can deliver services under these contracts and that, therefore, their revenues are not assignable. However, we respectfully disagree with this assumption.
- **Subchapter S Corporations:** There is a critical need in Indian country for Indian tribes to be given the opportunity to enter into mutually beneficial partnerships with their non-Indian neighbors for the economic development of their geographic regions. To be successful, these partnerships need to have the ability to take on corporate forms that are (a) familiar to non-Indians, and (b) easy to administer. The Subchapter S corporate form is ideal for this purpose. Non-Indians understand Subchapter S corporations and they are familiar with the rules for doing business with Subchapter S corporations. Unfortunately, Indian tribes are uniquely prohibited from participating in Subchapter S corporations. The IRS will allow a city, or even General Motors, to participate in a Subchapter S corporation, but not an Indian tribe. The federal statutes authorizing the creation of Subchapter S corporations should be amended to allow for such ownership.

As you are aware, the U.S. constitution recognizes the distinct nature of tribal governmental political structures. The federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. I am asking that Congress honor our government-to-government relationship and include tribes in a meaningful and appropriate manner.

Thank you for your ongoing support for the Citizen Potawatomi Nation and your commitment to a renewed and vigorous economy for all Americans.

PREPARED STATEMENT OF THE COUNCIL FOR TRIBAL EMPLOYMENT RIGHTS

A TRIBAL-LABOR UNION INITIATIVE TO ENSURE THAT THE INDIAN STIMULUS PROGRAM CREATES SUSTAINABLE JOBS THAT CONTINUE BEYOND THE STIMULUS PROGRAM

The Council for Tribal Employment Rights, established in 1983, is the national organization for the 300 Tribal Employment Rights Offices (TEROs) that have been established by Tribes and Alaska Native entities to promote employment of Indian people on and near their Reservations and Villages. CTER appreciates the opportunity to submit this Statement for the Record. It believes the lessons it has learned during its 30 year effort to promote Indian and Alaska Native employment and the alliances it has formed with the construction trade unions and the Department of the Interior can help the Committee develop a stimulus package that will not just create jobs for the few years the Stimulus Program is in effect, but will serve as a springboard that sets the participants on career paths that will enable them to remain gainfully employed long after the Stimulus Program is history.

CTER supports the stimulus proposal submitted by the National Congress of American Indians (NCAI) and urges the Congress to adopt it. But to ensure that the jobs that proposal will create are sustainable over the long term CTER urges that the Indian stimulus package also (1) **Appropriate an amount equal to 2.5% of the construction amount requested by NCAI for training programs that will ensure the Indian workers on Stimulus project develop the skills and certifications they need to be highly-employable long after the stimulus funding has run out; and (2) Provide for central administration of the Indian training component by the Office of Indian Energy and Economic Development within the Department of the Interior.**

As discussed below, CTER has participated in pilot projects with the Laborers Union and the DOI Office of Indian Energy and Economic Development that have demonstrated that by combining reservation infrastructure development with effective training, career development, and central administration, it is possible to break the cycle of unemployment that has plagued Indian country for the past century. On the other hand, experience has shown that just funding infrastructure projects without these other elements may provide jobs for a year or two, but that when the funding has run out, the unemployment rates on reservations return quickly to their 50% to 80% levels.

TRAINING AND CAREER DEVELOPMENT.—Creating immediate jobs while at the same time preparing the participants for long-term careers in that business sector are not mutually exclusive. But it will require that, in addition to providing funding for construction, the Indian Stimulus Program provide funding for job training and career development for the Indian workers who will be filling the jobs created by the stimulus. This is essential to prevent the Indian Stimulus Program from being just a temporary fix to Reservation unemployment.

1. **The Problem in the Past with Stimulus-type Programs.**—Over the years, many tribes have seen construction or oil and gas booms that put their members to work for a few years. However, successful programs were not available to assist the Indian workers on those projects develop the journeyman skills and certification they would need to find new employment when the Reservation boom ended. As a result, when it did end, too many of them sank back into sustained unemployment because they were not fully trained or credentialed for those jobs. Experience has shown that just creating a burst of short-term construction or other activity on Reservations does little to address the long-term high unemployment that Reservations have been plagued with for over a century. That burst must be accompanied by a structured training and support program designed to promote long-term careers in that industry.

2. **The Opportunity For Long-term Careers in the Construction Trades.**—One of the disincentives for Indian workers to pursue journeyman status in the past was that even if the workers were able to obtain journeyman skills and certification, they would have to spend most of their careers working on projects located far away from their Reservations, their families and there culture. That is no longer the case. In the coming years, there are going to be enormous opportunities for trained construction workers in the rural West, and particularly on or near the large Reservations in the rural West that suffer from the very high unemployment rates. There is a construction boom in North Dakota, South Dakota, and Wyoming and other Great Plains and Rocky Mountain states fueled by wind energy projects, gas and oil pipelines, transmission lines, and similar projects. While this may slow down temporarily as a result of the economic downturn, it is certain to pick up once the recovery takes hold.

In addition, there is a growing shortage of trained construction workers in the rural West to build these projects. The Laborers Union alone has reported that it projects a shortfall of 4000 laborers to build the projects already on the drawing board in the rural West in the next ten years. The other construction trade unions have similar projections. As a result, an Indian worker who is launched on a career path in construction while working on a Stimulus project can be assured continuous employment for the rest of his or her working life without ever having to go too far from his or her Reservation.

3. **The Successful Pilot Programs.**—Within the past few years, CTER and the Laborers Union, with funding provided by the Interior Office of Indian Energy and Economic Development, have successfully piloted innovative training

programs to assist Indian construction workers quickly develop their skills and move toward journeyman status. One project was on the Spirit Lake Reservation in North Dakota; the other was on the Blackfeet Reservation in Montana. (See attached articles on the pilot projects.) These projects have successfully overcome the barriers that have undermined similar efforts in the past:

> **a. On-site Training.**—The construction trade unions have the best training programs for assisting workers develop careers in construction, but in the past they have required that the Indian trainees relocate to a large city where the unions had their training programs. They also were reluctant to recognize the unique legal status of Reservations. On the CTER-Laborers Union pilot projects funded by the DOI Office of Indian Energy and Economic Development, the first step was for the Tribe and the Union to enter into a Tribal Labor Agreement in which the Union specifically acknowledged and agreed to respect tribal sovereignty and tribal laws. Next, the Union brought a mobile training van and a certified union trainer right to the Reservation, while the Tribe provided a project the trainees could work on – renovating a commercial building at Spirit Lake and renovating a HUD home at Blackfeet. The trainees, under the supervision of the union trainer, renovated the building while learning construction and entrepreneurial skills. (The trainees were not required to join the union in order to participate. Once they moved to regular construction projects, the decision on whether to join a union was solely at their discretion.)
>
> **b. Training Modules and Certifications.**—The training was in modules that provided the trainees, at the end of each module, a set of skills that, while not making them journeymen, would make them highly-employable on a regular construction project. They also received certificates documenting their training in that module. The trainees also received college credit from the Blackfeet Community College, another member of the team.
>
> **c. Support Services.**—CTER worked with the Tribe to provide supportive services to assist the workers overcome the kinds of problems that have historically caused low retention rates on Reservations. For example, they provided tools, arranged for transportation when needed, and provided career counseling on the opportunities that would be available when they completed the training.
>
> **d. Job Placement.**—Through a combined effort by the Tribal TERO (the Union and CTER), the trainees were helped to find jobs on regular private construction projects on or near the Reservation. At Blackfeet, the trainees were highly sought after by contractors and 90% of them were quickly hired to work on regular construction projects; they remain on those jobs today, months after the training program ended. (The Spirit Lake project is still on-going so it is too soon to report on its success.)

e. Continuing Support and Training.—The workers will continue to receive supportive services from the Tribe and CTER. Those workers who are employed at a construction project that has a collective bargaining agreement with the Laborers Union will be eligible for continuing training to help them move towards their journeyman status – at the Union's expense.

The Laborers Union has developed similar innovative training and job creation programs for Alaska Natives living in remote Villages. Other unions, including the Carpenters, the Iron Workers and the Pipefitters, have also developed training programs for Indian workers. With the experience gained from these successful programs, it will be possible for a partnership of construction trade unions, tribes, tribal colleges and Indian organizations to quickly put in place the training programs to ensure that Indian workers on the projects funded by the Indian Stimulus will receive the kind of training that will make them highly-employable when the Stimulus program is over. They will become a major component of the workforce that in years to come will be needed to build national transmission grid, the wind energy farms, and other projects on the drawing boards for the rural West. (As was the case under the pilot programs, no Indian worker will be required to join a union to participate and the unions will all enter into agreements recognizing tribal sovereignty.)

f. Funding.—Based on the experience of the pilot programs, to provide this kind of successful training programs on projects to be built under the Stimulus Program, Congress, in addition to providing funds for the construction projects, needs to appropriate an addition amount, equal to 2.5% of the amount requested for construction, specifically for training and supportive services. Existing job training funds on most Reservations are already committed and could not be freed up for this training, such that new funding is critical. However, this small amount of funding could have the most long-lasting impact of all of the elements of the Indian Stimulus Program because the careers it will create will last for years into the future, providing the workers with regular pay checks, health insurance, pensions, and all of the other benefits that come from sustained employment. The long-term savings to the Federal budget, in terms of such factors as reduced welfare costs and additional third party revenues for IHS, will far outweigh this initial appropriations for training.

ADMINISTRATION.—To be successful, the Stimulus Program training program needs to be centrally administered. The best location for that central administration/coordination would be the Office of Indian Energy and Economic Development under the Assistant Secretary for Indian Affairs in the Department of the Interior. That Office, which oversees the BIA's 477 job training program, had the vision to see the potential of the CTER-Laborers Union training program and has demonstrated the capability and leadership needed to make the training component of the Stimulus

Program a success. It is recommended that regardless of which agency is funded to carry out the construction of the various infrastructure projects – BIA, IHS, HUD, EPA, etc., – the 2.5% for training be appropriated directly to this Office, which will utilize Indian organizations and tribes, labor unions, Indian colleges and other resources to provide the training and support services described above. This Office will also need additional funding for staff and additional FTEs so it can carry out its increased responsibilities. (The Congress should also provide additional staff and funding also need to be provided to the facilities construction offices of BIA, IHS, HUD, and the other Federal agencies which will be awarding the contracts and grants for infrastructure development. Without that additional staff, history has shown the money gets bottlenecked in those offices.)

CONCLUSION.—The Council for Tribal Employment Rights appreciates the opportunity to submit this Statement for the Record and is available to answer any questions the Committee may have about the information provided herein.

Partnership Update

LECET INNOVATIONS

QUALITY PARTNERING FOR SUCCESS

August 2008

Blackfeet Tribe Trains Tribal Members to Repair and Renovate Housing

By Ed Hensley, Construction Market Rep., LECET

BROWNING, MONTANA- Through the efforts of the Council for Tribal Employment Rights (CTER) and the Laborers International Union of North America (LIUNA) the Blackfeet Nation in Browning, Montana is getting 11 tribal members trained in construction skills. The program, the Native Construction Careers Initiative (NCCI), is geared towards repairing, remodeling and the emergency repair of housing and is financed in part by a cooperative inter-agency agreement with the Department of the Interior's Indian Energy Economic Development office.

"The specific training is right on target for helping the reservation with its dire need to repair the tribal housing department's inventory of homes in need of repair. It's a problem that needs different kinds of work to make the homes habitable for tribal members needing housing assistance" said Kevin Buckles, Field Coordinator for CTER. "We have a program that takes people looking for jobs, trains them and gives them the experience they need to find careers that provide good wages and a level of personal satisfaction of knowing they're helping their tribe."

> ***"We have a program that takes people looking for jobs, trains them and gives them the experience they need to find careers that provide good wages"***
>
> **Kevin Buckles**
> **CTER Field Coordinator**

Responding to the housing situation has many tribes scrambling to find people within their reservations and tribal communities who can do the repairs. The extra bonus that the NCCI program brings to the table is the 300 hours of training and hands on experience the tribal members are receiving in Browning.

"A good way to go for this tribe was to bring in the union expertise through LIUNA's partnership arm, LECET. This is part of the in-kind contribution that LIUNA committed to the effort" continued Buckles. "They zeroed in on the situation and right away we started to see things happen."

Native Construction Careers Initiative
Professional Training For
Blackfeet Tribal Members
Council for Tribal Employment Rights
Department of the Interior
LIUNA
Montana
Laborer
Local 1686

From left: Frank Racine, student; Dan Kowalski, Instructor; Kevin Buckles, CTER Field Coordinator; Ed Hensley, LECET

The program's participants are working on a house that was boarded up and not being used by the tribal housing program. They are under the careful guidance of a construction training expert who has 30 years experience remodeling and bringing life back to old or vacant residences. Three 100 hour phases of the training program will bring the trainees through the curriculum in Basic, Intermediate and Advanced training certifications.

"CTER's efforts help insure that in the long run, we will see our program graduates secure careers in the industry" said Conrad Edwards, the Vice President of Special Projects for CTER. "The tribe is pitching in and adding to the endeavor with equipment, materials and a lot of assistance. On top of that they will be doing their own entrepreneurial training and assistance in order to give them a chance to become native owned contractors for such types of work."

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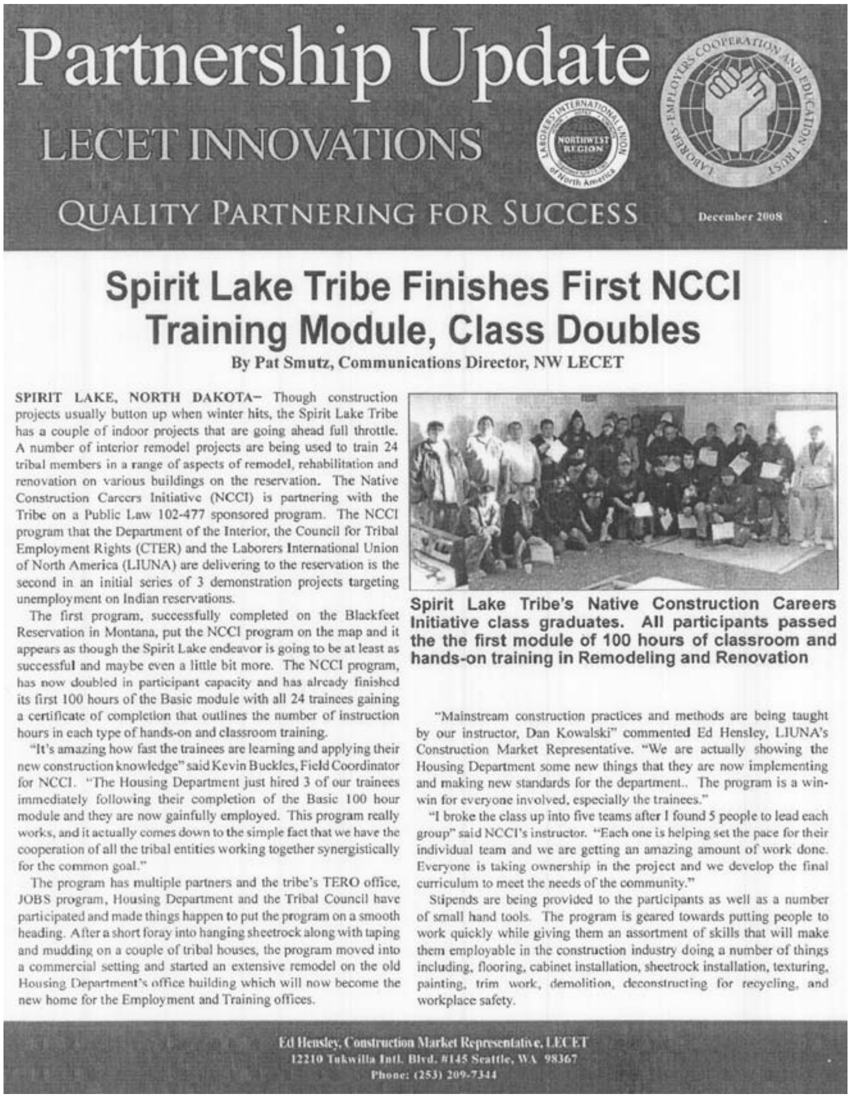

Partnership Update

LECET INNOVATIONS

QUALITY PARTNERING FOR SUCCESS

December 2008

LABORERS'-EMPLOYERS COOPERATION AND EDUCATION TRUST
LABORERS' INTERNATIONAL UNION of North America
NORTHWEST REGION

Spirit Lake Tribe Finishes First NCCI Training Module, Class Doubles

By Pat Smutz, Communications Director, NW LECET

SPIRIT LAKE, NORTH DAKOTA– Though construction projects usually button up when winter hits, the Spirit Lake Tribe has a couple of indoor projects that are going ahead full throttle. A number of interior remodel projects are being used to train 24 tribal members in a range of aspects of remodel, rehabilitation and renovation on various buildings on the reservation. The Native Construction Careers Initiative (NCCI) is partnering with the Tribe on a Public Law 102-477 sponsored program. The NCCI program that the Department of the Interior, the Council for Tribal Employment Rights (CTER) and the Laborers International Union of North America (LIUNA) are delivering to the reservation is the second in an initial series of 3 demonstration projects targeting unemployment on Indian reservations.

The first program, successfully completed on the Blackfeet Reservation in Montana, put the NCCI program on the map and it appears as though the Spirit Lake endeavor is going to be at least as successful and maybe even a little bit more. The NCCI program, has now doubled in participant capacity and has already finished its first 100 hours of the Basic module with all 24 trainees gaining a certificate of completion that outlines the number of instruction hours in each type of hands-on and classroom training.

"It's amazing how fast the trainees are learning and applying their new construction knowledge" said Kevin Buckles, Field Coordinator for NCCI. "The Housing Department just hired 3 of our trainees immediately following their completion of the Basic 100 hour module and they are now gainfully employed. This program really works, and it actually comes down to the simple fact that we have the cooperation of all the tribal entities working together synergistically for the common goal."

The program has multiple partners and the tribe's TERO office, JOBS program, Housing Department and the Tribal Council have participated and made things happen to put the program on a smooth heading. After a short foray into hanging sheetrock along with taping and mudding on a couple of tribal houses, the program moved into a commercial setting and started an extensive remodel on the old Housing Department's office building which will now become the new home for the Employment and Training offices.

Spirit Lake Tribe's Native Construction Careers Initiative class graduates. All participants passed the the first module of 100 hours of classroom and hands-on training in Remodeling and Renovation

"Mainstream construction practices and methods are being taught by our instructor, Dan Kowalski" commented Ed Hensley, LIUNA's Construction Market Representative. "We are actually showing the Housing Department some new things that they are now implementing and making new standards for the department.. The program is a win-win for everyone involved, especially the trainees."

"I broke the class up into five teams after I found 5 people to lead each group" said NCCI's instructor. "Each one is helping set the pace for their individual team and we are getting an amazing amount of work done. Everyone is taking ownership in the project and we develop the final curriculum to meet the needs of the community."

Stipends are being provided to the participants as well as a number of small hand tools. The program is geared towards putting people to work quickly while giving them an assortment of skills that will make them employable in the construction industry doing a number of things including, flooring, cabinet installation, sheetrock installation, texturing, painting, trim work, demolition, deconstructing for recycling, and workplace safety.

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Prepared Statement of Hon. Jeanne Jerred, Chairwoman, Confederated Tribes of the Colville Reservation

On behalf of the Confederated Tribes of the Colville Reservation ("Colville Tribe" or the "Tribe"), I am pleased to provide the Committee on Indian Affairs this prepared statement on proposals to create jobs and stimulate Indian economies. I would also like to express the Colville Tribe's thanks to the Committee for developing its own $3.58 billion proposal for Indian country as set forth in the January 9, 2009, letter to President-elect Obama.

As the Committee is aware, the National Congress of American Indians (NCAI) developed and disseminated the "Indian Country Economic Recovery Plan," which contains a number of suggestions for inclusion in the economic stimulus legislation. Using the Colville Tribe as an example, this statement will explain how the economic downturn has impacted Indian country and illustrate how the NCAI and the

Committee proposals would immediately benefit the Colville Tribe and similarly situated Indian tribes nationwide.

Although now considered a single Indian tribe, the Confederated Tribes of the Colville Reservation is, as the name states, a confederation of 12 smaller aboriginal tribes and bands from all across eastern Washington State. The Colville Reservation encompasses more than 1.4 million acres and is located in north central Washington State. The Colville Tribe has more than 9,300 enrolled members, making it one of the largest Indian tribes in the Pacific Northwest. About half of the Tribe's members live on or near the Colville Reservation.

The Colville Tribal Enterprise Corporation (CTEC) is a tribal law corporation that operates nearly all of the Colville Tribe's businesses. CTEC operates more than a dozen businesses, including retail, tourism, and construction. Collectively, the Colville Tribe's government and CTEC employ approximately 2,000 individuals, making the Colville Tribe one of the largest employers in all of eastern Washington State.

Impact of the Recession on the Economy of the Colville Tribe

The Colville Reservation contains approximately 800,000 acres of harvestable timber. Although the Tribe has diversified into several lines of business, timber remains the Tribe's largest source of revenue for governmental programs and services. The Colville Tribe owns and operates a traditional sawmill, Colville Indian Precision Pine, and a plywood manufacturing facility, Colville Indian Power and Veneer (CIPV). CIPV is the only tribally owned and operated plywood plant in the U.S. that remains in operation.

The health of the Tribe's wood products industry is tied closely to the nation's housing market. The severe downturn in the housing market has impacted the Colville Tribe particularly hard. The housing downturn has weakened demand for wood products generally, which has resulted in lower prices and decreased sales. The depressed market conditions, coupled with the record high fuel prices that persisted through most of the past 12 months, resulted in steep losses for CTEC's Forest Products Division. In an unprecedented move, the Tribe closed CIPV for a two-week period during the Christmas and New Year's holidays to reduce operating losses.

In light of the accelerating losses and the deteriorating economic outlook, the Colville Tribe's governing body is currently contemplating the difficult decision to close CIPV indefinitely until market conditions improve. Closure of CIPV would affect not only the nearly 200 employees who work there, but also the secondary jobs that the facility supports, such as contract loggers and truck drivers. The Tribe is gravely concerned that any layoffs will result in an immediate strain on the Tribe's social services programs and personnel. These tribal government programs, most of which are funded by the Tribe's timber revenue (in addition to third party grants), are already stretched thin with the current high unemployment rate on the Colville Reservation. Like state and local governments, the current state of the national economy has presented the Colville Tribe's government with extremely difficult choices on how best to provide for its citizens. *If state and local governments stand to benefit from an economic stimulus plan, so, too, should Indian tribal governments.*

Finally, as the Committee and its members are well aware, Indian tribes have a government-to-government relationship with the United States that is memorialized in the U.S. Constitution and federal law. As such, Indian tribes have traditionally received funding directly from the United States and not through state governments. Federal agencies have established mechanisms for transferring federal funds to Indian governments quickly. Tribal governments, therefore, should not be required to work through state governments to receive financial assistance that may be made available in any stimulus plan.

The NCAI and Committee Proposals Would Immediately Benefit the Colville Tribe and Similarly Situated Tribal Economies

Both the NCAI proposal and the Committee have proposed $310 million for new Indian Reservation Roads projects and $258 million for roads maintenance projects in their respective proposals. Indian roads and transportation infrastructure are of paramount interest to Indian country and would immediately benefit the Colville Tribe and similarly situated Indian tribes. New funding for roads in Indian country would not only create jobs, it would also address the high traffic fatality rates on many reservations caused by dangerous or inadequately maintained roads, including on the Colville Reservation.

The Colville Tribe has identified nearly $23 million in backlogged road maintenance and new roads projects that would, if funded, create at least 250 new jobs on the Colville Reservation and in the surrounding communities. The Colville Reservation and the surrounding communities are home to a large workforce, including managers, mechanics, laborers, and operators. The Tribe estimates that there are nearly a dozen road construction general contractors in the area that are available to begin work immediately on new projects. Logging shutdowns in the area have already forced scores of individuals to seek unemployment and the infusion of new construction jobs would help stem these job losses.

In addition, the Colville Tribe is particularly supportive of the NCAI proposal to provide $25 million in funding for USDA Rural Development's Business and Industry program. The infusion of funding for direct loans to tribal governments would provide an alternative source of capital to those Indian tribes and tribal enterprises that, for whatever reason, cannot access capital through conventional financing or through loan guarantees.

The Colville Tribe is an unfortunate example of this need. The Tribe's primary lenders are unwilling to lend in the current economic climate for needed upgrades to CIPV that would make the facility more efficient and competitive. If financed, these upgrades would eliminate most of the facility's operating losses and would allow CIPV to remain open even during the current market downturn. The Tribe has observed that banks continue to lend to the wood products industry, but only to keep businesses afloat and not for capital improvements. The rationale for this ironic result is that banks have calculated that they will lose less money by extending credit to keep mills operating, rather than inheriting and being forced to operate the mills themselves.

Uniform Criteria for Construction Project Funding

As members of the Committee and its staff continue to work with leaders in both chambers to seek inclusion of Indian-specific provisions in the stimulus legislation, the Colville Tribe respectfully makes the following recommendation. As the Committee is aware, various organizations and interested entities assembled lists of specific projects to justify stimulus funding proposals. At the time, these lists of specific projects were undoubtedly helpful in providing a very rough indicator of need for which to justify funding requests for a particular activity.

The Colville Tribe strongly believes, however, that any funding for construction activities that may be included for Indian country in the stimulus should be allocated based on *uniform criteria* and not on reliance on preexisting lists of specific projects. The Tribe is concerned that any list of "shovel ready" or "ready-to-go" projects that were assembled in the haste of formulating stimulus proposals may be unreliable in that they do not reflect the entire universe of need for a particular activity. Rather, if funding for a particular construction project is conditioned on that project having all design, engineering and environmental work completed by a date certain, that criteria—not a preexisting list—should control which projects are funded.

Once the substantive requirements for project funding are established, federal agencies should be required to update any project lists that they may maintain to ensure that they include all projects that satisfy the requirements.

The Colville Tribe greatly appreciates the work of the Committee and its staff to ensure that the needs of Indian country are considered in the development of the stimulus legislation. The Tribe looks forward to working with the Committee on this and other issues of interest to Indian country in the 111th Congress.

PREPARED STATEMENT OF THE COOK INLET TRIBAL COUNCIL

We are in the midst of a "once in a century" national financial crisis. Congress has acted swiftly to safeguard financial institutions and improve access to credit. Congress is currently deliberating massive additional measures to help workers hurt by the economy, advance new technologies and sources of energy, repair and improve our national infrastructure, and transform our educational system to meet the needs of the future.

While we applaud the speed and scope of the Congressional response to the current crisis, we also believe that current economic conditions are only a prelude to the economic and social situation we will face as a nation if we cannot reverse the high number of dropouts from our high schools. The situation is most acute among poor and minority communities, and none more so than Indian Country.

Nationally, the problem is complicated, and requires thoughtful, effective, and broad-based solutions. Solutions strictly focused on keeping students from dropping out will not succeed. Instead, we must focus on providing an education that engages young people throughout their school years: an education that is relevant, that builds on their strengths more than it focuses on their weaknesses, and that enlists the support of their families and communities. We must create an educational experience that helps young people to imagine a future of personal success, a future of choices that include higher education and highly skilled careers.

Tackling the problem of dropouts is, at its core, a matter of taking the steps needed to prevent the exclusion of a large proportion of youth out of the pool of skilled professionals that a 21st century economy will demand. Individually, it is about fulfillment of human potential. Nationally, it is about maximizing the number of citizens who will make positive contributions to a collective future. It is about how we plan to avoid the extraordinary financial and social cost that we will all pay if a large and growing number of unskilled dropouts continue to disproportionately populate the ranks of our nation's poor, sick, and incarcerated.

For Native communities already struggling to achieve educational, economic, and social equity, the cost of this lost potential could be unbearable. Native communities are a microcosm of the effects of this "silent epidemic" of dropouts, and as such are especially vulnerable to its consequences. For Native people across the country, the future of our communities and our cultures is literally at stake.

Our comments to the committee concern the investments urgently needed in Native communities in order to stem the mortgaging of our future, which is embodied in our youth. Here, we offer the Committee comments on the situation as it pertains to Alaska Native people, and point to some of the steps that have been taken toward effective solutions—solutions that are designed to engage young people in learning, and prepare them for futures involving higher education and meaningful employment.

In this time of national economic crisis, we ask for your support to continue, expand, and share these solutions, not only for the sake of Alaska Native communities but for both Native and non-Native communities throughout the United States. *We believe that the programs described represent a critical reinvestment in our communities, which help break the cycle of poverty and all that attends it, and which ultimately yield ample economic and social returns for the future.*

Understanding the National Economic Impact of Dropouts

It is estimated that during every school day, across the country, almost seven thousand students become dropouts—translating into some 1.2 million individuals each year who are statistically far more likely to be unemployed or underemployed, incarcerated, and addicted to alcohol and drugs. For the United States, *the lost lifetime earning potential of students who did not graduate in one year (2007–2008) is estimated at more than $319 billion.* Beyond this, the negative ripple effect of high school dropouts is truly staggering:[1]

- There are nearly 2,000 high schools in the U.S. where the typical freshman class loses 40 percent of its students to dropouts by their senior year; it has been predicted that the national dropout problem will likely escalate over the next decade without significant and effective intervention.
- Each year's class of dropouts will cost the country over $200 billion during their lifetimes in lost earnings and unrealized tax revenue, based on a 1985 study.
- Increasing minority students' participation in college to the same percentage as that of white students would create an additional $231 billion in GDP and at least $80 billion in new tax revenues.
- U.S. companies lose billions of dollars annually because of illiteracy. If literacy levels in the United States were the same as those in Sweden, the U.S. GDP would rise by approximately $463 billion and tax revenues would increase by approximately $162 billion.
- Dropouts are more likely than high school graduates to be unemployed, in poor health, living in poverty, on public assistance, and single parents with children who drop out of high school; dropouts were more than twice as likely as high school graduates to slip into poverty in a single year and three times more likely than college graduates to be unemployed in 2004.
- Students with low academic achievement are twice as likely to become parents by their senior year of high school, compared to students with high academic achievement.
- High school dropouts are 3.5 times more likely than high school graduates to be arrested in their lifetime; a one-year increase in average education levels would reduce arrest rates by 11 percent; 75 percent of America's state prison

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[1] Data in this section derived from the National Dropout Prevention Center, the Alliance for Excellent Education, and the Silent Epidemic coalition website.

inmates are high school dropouts; a 1 percent increase in high school graduation rates would save approximately $1.4 billion in incarceration costs.

- Dropouts are four times less likely to volunteer than college graduates, half as likely to vote or participate in community projects, and represent only 3 percent of actively engaged citizens in the U.S. today.

The Impact of Dropouts on Alaska Native People

Overall, Alaska's dropout rate was double the national average in 2005–2006. It is predicted that 38 percent of current Alaskan ninth graders will not have a high school diploma in ten years.[2]

Alaska Native students are twice as likely to drop out as their non-Native peers. With more than 44 percent of the Alaska Native population currently under the age of 19,[3] we are faced with nothing less than a ticking time bomb.

As noted above, dropout rates are correlated with higher incidence of unemployment and other social issues but for Alaska Natives the incidence of these issues is *already* disproportionately high:[4]

- 33 percent of Alaska's unemployed are Alaska Native people.
- About 20 percent of Alaska Native people have incomes below the federal poverty line—nearly three times the rate of non-Native people.
- More than one-third of all prison inmates in Alaska are Native people, almost double the percentage of Native people in the total population.
- Native teen birth rates, smoking rates, and use of marijuana are significantly higher than non-Natives.
- Alaska Natives have significantly higher incidences of health issues that correlate with poverty, such as diabetes.

Demonstrating Integrated Solutions

Although the history of Alaska Native education has been one of inequity, there are recent models that clearly demonstrate that Alaska Native students are capable of high achievement when they are provided with the right academic environment.

The state-funded Mt. Edgecumbe High School in Sitka, Alaska encompasses four key components for student success: academic learning, responsible citizenship, personal wellness and community service. The school strives to prepare the students for the greatest possible number of alternatives for pursuing life after high school. Preparation for these options requires a rigorous academic program, the fostering of a love for active learning, and the development within students of a commitment to high quality intellectual work.

Mt. Edgecumbe's success in providing quality education to disadvantaged students from rural Alaska has been recognized regionally, nationally, and globally. In a recent survey of Mt. Edgecumbe graduates, 78 percent of the respondents indicated that they were attending college within a year of their graduation, and 50 percent were in the workforce. 25 percent of the respondents had achieved a graduate or professional degree. Seventy-six percent believed that the school had done an excellent job of developing their academic skills.[5]

Many of the successful programs that are now functioning in Alaska have been developed and implemented by funding provided by the *Alaska Native Educational Equity, Support, and Assistance Act,* also known as the Alaska Native Education Program (ANEP).[6] ANEP programs have demonstrated significant academic progress for Alaska Native students, and provided extensive experience to communities and educators regarding successful educational approaches.

One of the recipients of the ANEP funding is Cook Inlet Tribal Council (CITC), which is the primary education, workforce development, employment, and training center for Native people in Anchorage, which is Alaska's largest urban center. Our educational programs are designed to address the continuing disparity in the quality of life experienced by Alaska Natives as compared to other Americans, a disparity rooted in a history of poverty and inadequate educational opportunities.

CITC's mission is *to work in partnership with Our People to develop opportunities that fulfill Our endless potential.* All of CITC's programs are rooted in the understanding that true self-determination is based in self-sufficiency and the ability to take responsibility for one's own life, family, and community. CITC is not a welfare agency but an organization that provides a "hand up instead of a hand out." Our goals are a positive reflection of this attitude toward self-reliance, promoting—above all else—educational opportunities and jobs. CITC recognizes; however, that some individuals must overcome personal challenges in order to take full advantage of the opportunities available to them.

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[2] *Anchorage Daily News,* November 16, 2008.

[3] *Our Choices, Our Future: Analysis of the Alaska Natives Report, 2004.* Alaska Native Policy Center.

[4] Ibid.

[5] *An Exploration of Experiences and Outcomes of Mt. Edgecumbe High School Graduates (1986–2006).* Institute of Social and Economic Research, Anchorage. (Powerpoint)

[6] Title VII, Part C of *No Child Left Behind.*

CITC has a 25-year history of providing programs that effectively meet the challenges of inadequate education, unemployment and poverty through effective and integrated approaches to educational enrichment, dropout prevention, job training and placement. CITC builds human capacity by partnering with individuals to establish and achieve educational and employment goals that result in lasting, positive change for themselves, their families, and their communities. Completion of quality education that leads to employment promotes self-sufficiency, personal responsibility, and helps Alaska Native people assure the sustainability of the communities and cultures.

CITC Education Programs

CITC provides strengths-focused, culturally-based educational support services for the purpose of increasing student engagement, self-confidence, and academic performance. Our programs are designed not only with sensitivity to the distinctive issues of cultural dislocation and the multiple challenges that face many of our students, but also to capitalize upon the cultural assets that students possess. Such application of asset-based and culturally relevant approaches to education have been shown to be effective in educational programs for Alaska Natives, American Indians, and Native Hawaiians. The ultimate goal is to help students to imagine and fulfill a positive life path, based on intentional choices, and to build the skills that will allow them to achieve their ambitions.

CITC's programs recognize the need for a continuum of educational services from elementary school through high school. Programs are provided in partnership with the Anchorage School District, through a unique tribal-school collaborative relationship that allows CITC to hire teams of staff, including highly qualified certificated teachers, who provide core content academic classes to Native students within the public schools. *CITC currently serves approximately 1,000 K–12 Native students and their families across the Anchorage School District.* CITC classes follow required district curricula while also interweaving cultural content and methodology, and meet or exceed state standards in a variety of content areas such as language arts, math, science, and physical education.

While the partnership between CITC and the Anchorage School District is at the heart of our programs, the collaboration is much wider, including the US Department of Education, and the Alaska Native community. Community involvement is critical just as family and community involvement, and culturally relevant teaching methods and curricula, are essential ingredients for student success.

CITC's programs recognize that education is a traditional value that our Native community holds in high regard. We know that education is the key to our people's success both now and into the future. We believe that in order to achieve high quality academic outcomes and goals, our schools must provide all students with educational opportunities that holistically strengthen and support youth as our most valued resources to be nurtured and developed—rather than using the dominant, deficit-based framework of viewing our students and their achievement as *problems to be solved*. While all of CITC's educational services target dropout prevention, we directly address this challenge through the concept of developing lifelong cultural, social, emotional, *and* academic success in our students.

CITC's programs fulfill a crucial need for Alaska Native students and their families who often face overwhelming challenges associated with the transition from rural lifeways to the urban environment where they are a minority.

Current CITC educational programs include:

Chinook (K–6 elementary students). Chinook means "Winds of Change" in the Dena'ina Athabascan language. This program focuses on increasing early childhood literacy and math skills for students who are below proficiency in these areas through individualized instruction, utilizing school district curricula as well as culturally enriched curricula.

Partners for Success (middle and high school students). This program focuses on increasing the overall academic achievement and decreasing the dropout rate of Native students. *Partners for Success* provides language arts and math classes, utilizing individualized instruction and multiple modes of assessment, along with life skills and social-emotional learning. Students are engaged in interactive classrooms that integrate cultural and place-based hands-on learning activities.

Math/Science, Media, and Technology (high school students). Supplemental educational programs increase the competency and skills of eligible high school students in high-level mathematics and science classes that are prerequisite to postsecondary studies in science, technology, engineering, and math (STEM) fields. CITC is a partner with the Alaska Native Science and Engineering Program (ANSEP) at the University of Alaska Anchorage. In addition, students enhance their technology and critical thinking skills through involvement with MEDIAK (*Media Educational Development Institute of Alaska*), which engages Native youth in the creation of multiple forms of media.

Physical Education/Healthy Life Skills (high school students).Through a health and wellness initiative, students have access to culturally relevant academic physical education activities aimed at promoting healthy lifestyle choices. Over the summer, CITC provides the opportunity for youth ages 14–18 to participate in a Culture and Reforestation Camp.

Measuring educational effectiveness is a key component of CITC's programs. External evaluation confirms that CITC's integrated educational approach is demonstrating significant positive results. [7] The analysis states, in part, that:

> Our analyses—reported in greater depth during [former United States] Secretary [of Education] Spelling's visit—reveal that the Partners Program is having a substantial, positive impact on the academic achievements of participating Alaska Native and American Indian students (AN/AI). Witness the following findings over the last 2 school years:
>
> - Students participating in the Partners Program were less often absent, less often dropped out, and more often graduated than other AN/AI students at the same schools who did not participate in the Partners Program. Their GPAs were approximately the same.
> - Among the AN/AI students in the Partners Program, less absences, higher GPA, higher Standardized Base Assessment test scores in reading and writing, and greater rates of graduation were related to more frequent participation in the program.
> - Among the AN/AI students who *did not pass* the Standardized Base Assessments in the 2005–2006 school year, 1 year later, substantially more students who participated in the Partners Program passed the Standardized Based Assessments of reading and writing than those who did not participate in the Partners Program.
> - With regard to *changes* in actual SBA *test scores*, between the 2005–2006 and 2006–2007 school years:
>
> —students in the Partners Program improved markedly in their reading and math test scores, and
>
> —these improvements were substantially greater for Partners than for non-Partners students.

Beyond the evidence provided by the program evaluators, CITC has been working with the Anchorage School District to develop meaningful comparisons between the performance of students involved in CITC's programs and Alaska Native students not included in CITC's programs. We are also working to expand the power of our own evaluative models in order to understand program results across the broader array of competencies that our programs are designed to address, and provide a clearer picture of how well the programs are succeeding in preparing students.

CITC Employment and Training Programs

Over the past 5 years (2004 through 2008) CITC served 17,345 individuals with career counseling and job placement services, emergency financial assistance, case management, crisis intervention, and training information in order to move participants into employment and self-sufficiency. Of the 17,345, CITC assisted 6,241 unemployed participants to enter unsubsidized employment. Alaska Native participants in CITC's programs originate from every region of Alaska.

CITC's programs are based on the premise that effective solutions to workforce development require integrate approaches to ensuring job readiness, training, and placement—approaches that are capable of moving people from welfare to work, and maximizing human potential in order to meet the challenges and opportunities of the future.

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[7] Excerpts September 22, 2007 letter from CITC external evaluator, Spero M. Manson, Ph.D, Professor and Head of American Indian and Alaska Native Programs, School of Medicine, University of Colorado Denver.

Accomplishing this requires seamless coordination and active cooperation between schools, social service agencies, job trainers, and employers. CITC actively collaborates with the Alaska Department of Labor and Workforce Development (DOLWD), the US Department of Labor, union leaders, Native and non-Native forprofit employers, and CITC-owned microenterprises—all of which build ladders of opportunity for our participants.

TANF—CITC is the sole provider of Temporary Assistance for Needy Families (TANF) for Alaska Native/American Indian families in Anchorage. CITC has transformed TANF from an entitlement-based program to one of self-determination and personal responsibility. Instead of receiving "handouts," TANF participants served by CITC are required to complete and sign a mutual plan of action with their case manager that outlines their responsibilities: to get a job and to participate in various other training and support services that may be needed to achieve that goal. As a result, the number of families dependent upon TANF has been reduced, with families making major strides toward self-sufficiency.

Alaska's People Career Development Center—is a comprehensive one-stop resource center that provides assessment, education, training and employment services for Alaska Natives and American Indians and their families. The center provides individualized case management to facilitate access to physical and behavioral services to address issues that can impact long-term employment.

Project-specific Corporate Partnerships—CITC actively seeks to partner with corporations investing in projects requiring a skilled labor force. In partnership with CIRI, an Alaska Native regional corporation, CITC has placed participants in apprentice and journeyman construction and retail positions. Future partnerships with CIRI involve the planned Fire Island wind power generating facility, which will equip Alaska Natives with employment skills related to emerging green technologies.

Skills Development through Social Enterprise—CITC oversees a variety of partially subsidized small businesses (e.g. an art gallery, a diner, and coffee shops) which allow participants to gain real-life work experience in a supportive environment. Future social enterprise, such as a local transportation initiative, will be based upon a "triple bottom line": business performance combined with job training/social service, while addressing broader community needs.

CITC's employment and training services have achieved significant results. For the period FY 2008, for example:

Employment Assistance

Job seekers served (job referral & job counseling)	1,464 job seekers served
Job seekers who obtained employment	1,126 obtained employment
Individuals with Disabilities Employment Services	51 served with 34 employed

Education & Job Skills Training

GED Preparation	92 GEDs earned by participants in 2007/2008 school year
Employability Workshops / Life Skills Training	341 served
Subsidized Employment Services	39 Served with 25 gaining unsubsidized employment

Social Services

Intensive case management and crisis prevention services	1,081 Individuals served
WIC (Women Infants & Children Nutrition Program)	747 Served

Welfare to Work Programs

Tribal Temporary Assistance to Needy Families (TANF)	Average caseload size – 511/month
Child Care Assistance	353 families served, 538 children
Child Care Assistance for TANF families	239 families served

Conclusion

As Congress considers the *American Recovery and Reinvestment Act of 2009,* we would like to ask for the Committee's support in recommending that the Act as signed into law include specific provisions for support of essential programs for Alaska Native education and workforce development.

While the current economic situation is having substantial negative impact on all Americans, the most affected are Native communities already struggling to overcome longstanding economic and educational inequities. For these communities, the current downturn will impede progress toward equal opportunity, or worse, serve to reverse the slow progress that we have all worked so hard to achieve.

For Alaska, it is essential that we cultivate a strong workforce by ensuring that our schools develop the full potential of our students, and provide the critical bridge to meaningful employment and higher education.

We ask, therefore, that the Committee considers these factors as it makes its recommendations to the full Senate, and as it continues its essential work on behalf of Native people.

PREPARED STATEMENT OF LEVI PESATA, PRESIDENT, JICARILLA APACHE NATION

Introduction

On behalf of the Jicarilla Apache Nation ("Nation") in New Mexico, I would like to thank this Committee for convening this hearing to gather testimony on economic stimulus need in Indian Country. I would like to focus more specifically about how targeted funding for tribal rural water infrastructure projects, such as the Jicarilla Apache Rural Water System, as authorized by Congress through the Bureau of Reclamation can drive job creation and economic development for Indian Country.

The Nation is a federally recognized Indian Tribe, and our Reservation, which consists of approximately 1 million acres, is located in Northern New Mexico. We have over 4,000 members and 85 percent of the population lives on our Reservation in the town of Dulce, which serves as our tribal headquarters. We understand Congress' desire to quickly provide state and local governments with an infusion of funds for infrastructure projects, and we respectfully request that you work to ensure that Native American Tribal governments are also considered as potential recipients of funding through the proposed second economic stimulus. Like state and local governments, Tribal governments provide essential governmental services to our citizens and neighbors and are similarly in dire need of basic infrastructure development.

Specifically, the Nation prioritized the following areas of need for the Senate Committee on Indian Affairs to consider for inclusion in the proposed economic stimulus:

- Infrastructure
    - —$10 million for the Jicarilla Apache Rural Water System Project;
    - —$1 million for Jicarilla roads;
- Healthcare—$1 million; and
- Housing—$1 million.

For our part, during the last nine years we have been working to address the failing public drinking water and wastewater systems on our Reservation, which were constructed, owned, operated and managed by the federal government. We worked with Congress to authorize a $45 million project to repair and replace the dilapidated and failing federal infrastructure and since that time we have committed significant additional funds and resources to the project.

We worked tirelessly to implement the statutory directive placed on the Secretary of the Interior to comply with the law and construct our project. Unfortunately, although Congress authorized our water system infrastructure project and President Bush signed it into law in December of 2002 (P.L. 107–331), the Bush Administration has repeatedly failed to include any funding for our project in the Administration's annual budget to Congress. We also understand our project is the only one that acknowledges and mandates corrective action for the Federal Government's liability for establishing and creating a deficient and unsafe public drinking water system serving an Indian reservation population.

Through the leadership and commitment of our New Mexico Congressional delegation we have received almost $2 million appropriations funding for the effort, however a much larger infusion of funds is needed. The current situation requires action now as it has forced the Nation to put other construction projects on hold due to lack of infrastructure. In addition to fully meeting our statutory project share (approximately $15 million), we have invested millions of more additional dollars into repairing and replacing the system, but we have reached our debt capacity. The Nation is prepared to immediately utilize funding to continue our work on the water system so that we can ensure a safe and reliable water supply for our people. In addition, we expect that funding for this infrastructure project will provide between 30–50 jobs immediately in our community which is significant in the extreme rural and depressed region where we reside. The long-term effect of investing in this project will provide greater employment opportunities to the approximately 2,300 tribal members ready for work, as more construction and development opportunities will move forward once the water infrastructure is in-place.

Background

The dilapidated condition of the current public water system and waste water infrastructure on the Jicarilla Apache Reservation stems from generations of neglect by the Bureau of Indian Affairs (BIA), an agency of the U.S. Department of the Interior, which, as creator, owner and operator of the system, did not properly design, plan for, manage, repair and upgrade portions of the system over the last 90 years. The system diverts water from the Navajo River–a pristine water source, and its initial structures served the original BIA facilities on the Reservation in the early part of the 1900's. As the community of Dulce became the center of activity, members began moving there from other areas of the Reservation. In response to the growth, the BIA expanded the water line to allow members to access the water from common areas. As the area grew with housing and other facilities, water lines were extended, on an ad hoc basis, with no planning or recording. By the 1990's the community's system had every type of water piping, including clay, asbestos lined, other metals, as even some wood piping has been unearthed and apparently still in operation in some parts of the system.

In October 1998, the system completely collapsed at the river and left the Nation without water for a week. The home of one of our elders burned down, with no water to put out the fire. The National Guard brought in bottled water and portable restrooms. The Nation funded emergency efforts to restore water delivery and received no funding from the BIA. In 2006, the wastewater system failed and caused a backup in the Jicarilla Apache Public Library forcing it to close for a long period of time. Other buildings and homes were similarly condemned due to these dire conditions.

The Federal Government's neglect and failure to manage and maintain its public water system serving our people has caused many dire health threats and circumstances and economic hardship including: degraded water quality in the lines, obsolete and non-compliant sewage lagoon ponds which were operating without proper permits because the ponds did not meet the Federal standards, pollution from unlined sewage ponds spilling into the community and into a nearby arroyo which fed back into the Navajo River towards downstream users and stymied economic and housing development opportunities. The most disturbing circumstance, however, is that a large number of tribal members are experiencing serious intestinal and other internal diseases and more community members have been diagnosed and are dying from stomach and other forms of cancer, many documented cases of those living on and served by the main and oldest stem of the water system.

Statutory Project Authorization

A combination of the water outage, delayed housing and economic develop opportunities and the dire health related circumstances led the Nation's leaders to Washington D.C. to request assistance repairing the Federal Government's broken system. Our first step was to approach the owner and operator of the system, the BIA headquarters in the U.S. Department of the Interior in Washington. They told us they had no funds to address the problem. The Nation sought help from other Federal agencies, who were sympathetic but generally unable to assist because the BIA owned and operated the system at the time. They also informed that the enormity of the problems with the system required a significant investment of resources that they would not be able to accommodate.

Working with our Congressional delegation from New Mexico and others sympathetic to our case, we developed and pursued a legislative route to authorize a project specifically to repair the system. In 2000, Congress passed a law which directed the Department of the Interior, through the Bureau of Reclamation (BOR), to conduct a feasibility study on upgrading the system. See *Public Law 106–243*. The Nation worked directly with BOR on conducting the study which was completed in September of 2002.

The study concluded that $45 million would be needed to replace the deficient water delivery and wastewater infrastructure. The report acknowledged the Nation's efforts in contributing $15 million to improve portions of the system including: replacement of the diversion structures and pipeline at the river and up to the water treatment plant; building a new water treatment plant and expanding its capacity; repairing and replacing old water towers; and replacement of infrastructure on the expansion Mundo Ranch property.

Following the completed report, our New Mexico Congressional delegation introduced legislation to direct the Secretary of the Interior to repair and replace the infrastructure based on the recommendations in the feasibility report; the legislation also authorized the Department to expend funding to undertake this project.

On December 13, 2002, President Bush signed into law the Jicarilla Apache Reservation Rural Water System Act, *Public Law 107–331, Title VIII,* which directs the Secretary of the Interior to proceed with a project to replace the defunct infrastructure, as outlined and recommended in the feasibility report, and which authorizes the appropriation of funds ($45 million) for our project. There are no sunset provisions in the law and its construction mandate is specifically not subject to the availability of appropriations.

Inadequate Federal Funding and Failure to Implement the Law

Since Congress authorized our project and mandated the Secretary of the Interior to commence construction of the project nearly six years ago, the Nation has worked tirelessly to secure funding for the development of our project through the Bureau of Reclamation's account in the Energy and Water Development Appropriations bill and through the annual budget process. During the feasibility stage, Congress appropriated $200,000 for this effort and in the Fiscal Year (FY) 2002 cycle, Congress appropriated $2.5 million for design and related work to prepare for project authorization.

Unfortunately, in spite of our diligence, neither Congress nor the Administration provided any funding for our project in the FY 2003, 2004 and 2005 appropriations cycles. Finally, in FY 2006, Congress provided $250,000 for our project in the Energy and Water Development Appropriations bill. In total, since Congress authorized our project which was signed into law nearly six years ago, the Nation has received less than $2 million for our project. Currently, Congress has included $3 million in the House FY 2009 Energy and Water appropriations bill and $1 million in the Senate FY 2009 Energy and Water appropriations bill, though it remains unclear the fate of the remaining un-enacted appropriations bills. While we are very grateful for these funds in a tough fiscal environment, there is an overwhelming need for Congress to provide a greater infusion of funds for this project.

The Administration has failed to include funding for our fully authorized project in their annual budget request to Congress. We have regularly met with the Office of Management and Budget, the Assistant Secretary for Water and Science and the BOR Commissioner urging them to implement the law and take action to help us address this serious pubic health crisis. Sadly, our pleas fall upon deaf ears during the Bush years.

"Ready-to-Go" Project and Impact of Inadequate Investment

The Nation is ready to move forward on repairing and replacing existing water lines in the town of Dulce and also completing water and sewer line extensions to new housing projects. The Nation's rural water infrastructure project meets the criteria set forth by the House Transportation and Infrastructure Committee's memorandum ("Memorandum") outlining "ready-to-go" projects.

More specifically, the Nation's project mirrors an example of a project located in the state of New York, the "Village of Cuba, New York" wastewater treatment system. The Memorandum states that the Village of Cuba project "is served by a sanitary sewer collection system constructed in the 1920's that utilizes mainly vitrified clay tile piping." Similarly, the Nation's water system was also constructed in the early 1900s and currently consists of clay and wood pipes. As a result, the Nation suffers constant line breaks from the clay pipes, which have no flexibility and are more prone to root intrusions and structural cracks.

The Memorandum further states that "most wastewater treatment utilities have small capital-related projects on the shelf that could be carried [out] very quickly," thereby citing the cost of the Village of Cuba as $2.1 million. The Nation's economic stimulus needs for our rural water infrastructure project falls between the cost range provided by the Memorandum (wastewater projects ranging from $2.1 million to $103 million).

Furthermore, Village of Cuba example details that the median household income is well below the New York State median household income, therefore, further justifying Congressional investment in the project. Indian Country comprises some of the most depressed and remote areas of the country. The Nation's location in the rural and remote Rio Arriba County limits economic development tied to the major metropolitan areas of the state of New Mexico and affects the Nation's overall economy. Specifically, according to the 2000 Census, the Nation's unemployment rate was 14.2 percent and the per capita income was $10,136. However, in comparison to the State of New Mexico 2000 Census data, the unemployment rate was 5 percent (the U.S. average was 4 percent) and the per capita income in 2000 was $17,261.

In addition, the BIA 2005 Labor Force Report ("Report"), the most recent report available, details that the Nation's unemployment rate is 52 percent. According to the Bureau of Labor and Statistics, the State of New Mexico's unemployment rate for 2005 was 5.2 percent. Notably, the Nation's unemployment rate is 10 times higher than the state's average. Also, of the Nation's tribal members, approximately 2,310 individuals are available for work and approximately only 1,112 individuals are employed. This data illustrates the overwhelming need for employment opportunities for the Nation's tribal members and reflects the critical need for Congressional investment in the Nation's rural water infrastructure system.

Nation's Housing, Economic Development and Stimulus Needs

Similar to the current crisis state and local governments are experiencing with stalled infrastructure and development projects, the Nation also has authorized economic development opportunities for its community and tribal members and is currently foregoing further progress until the proper infrastructure and investment are established. For example, the Jicarilla Apache Tribal Utility Authority (JATUA) is developing the Mundo Ranch property to accommodate multiple facilities including institutional, single family housing, and small commercial properties. To date, the Nation has authorized the expenditure of $7.5 million in funds towards the development of the Mundo Ranch. This is a critical project needed to address the more than 400 home backlog on the Reservation.

The first phase of the single family housing plan includes $3.5 million expended by the Nation through JAUA to construct utilities, roads, and site preparations for 46 housing units. To date, 35 units have been completed and are currently rented at $300 per month, under a 15-year-rent-to-own program. However, the Nation still has a current waiting list of over 400 families for housing. To provide additional housing resources for its tribal members, the Nation has acquired post-Katrina Federal Emergency Management Agency (FEMA) mobile homes that have been allotted to tribes. The waiting list for the mobile home units alone is 150 and are considered "category 1" need for housing. The Nation requests $1 million to alleviate the major housing need on our Reservation. The Nation would be able to begin construction for housing and spend the funding in a two-year period. Also, as the Nation continues to receive the mobile home units, it is vital for the Nation to set-up and establish the proper infrastructure to serve the newly-acquired mobile homes for families to immediately inhabit them. Therefore, an investment in our rural water infrastructure system deeply affects our ability to provide housing and safe, reliable drinking water to our tribal members.

The Nation is an oil and gas producing tribe. With the current snowfall, the roads become impassable and require a great deal of work to shovel. Most of the roads are unpaved, which are very difficult to maintain and plow during harsh weather conditions. In addition, the roads will wash-out after a major rainstorm, leaving the Nation little or no access to our oil and gas resources. Therefore, safe and reliable roadways must be constructed and maintained to access the oil and gas resources on the Reservation.

The Nation contracts their roads program from the BIA under P.L. 93–638 and employs tribal members for the roadway work. The Nation maintains about 700 miles of BIA and tribal roadways. However, there are still dirt streets in our residential areas in Dulce and across the Reservation, and the Nation plans to extend the bike and pedestrian path to a new housing development and new elementary school. The Nation requests $1 million to work to repair, maintain, and pave our roads. Furthermore, it is difficult for the Nation to proceed with these initiatives when the water infrastructure is incomplete and non-existent in certain areas on the Reservation.

The Nation is currently in major-need of a dialysis center for our tribal members. Diabetes deeply affects our tribal members health, and the construction of a specific-diabetes center on the Reservation would greatly benefit our tribal members. Further work and completion on our rural water infrastructure in tandem with the construction of diabetes center would ensure that an adequate water supply is in-place for the proposed diabetes center. The Nation would be able to immediately begin work on a diabetes center and spend the funding in a two-year period. The Nation requests $1 million for this project.

The Nation's rural water infrastructure system is a vital link in providing adequate services to our tribal members and communities. Without a completely updated and properly-repaired system, the Nation is unable to move forward on pending projects. Therefore, the Nation cannot provide employment opportunities in roadwork for our tribal members; maintain, expand, and upgrade our roadways for community and economic development use; and further construct and make available housing units to our tribal members. It is our responsibility as a tribal government to provide the necessary services for our tribal members, and the Nation has continuously and consistently made the investment in our community to the extent possible. However, the Nation is in-need of assistance in this current crisis from Congress, just as state and local governments are requesting.

Conclusion

Since the legislation's enactment in December 2002, the Nation has been forced to borrow millions of additional dollars on the project because of the urgency and crisis facing our people. But, we have reached our debt capacity. While progress has been made on the project, the Nation has been forced to put a number of important projects on hold due to the lack of infrastructure and funding shortfalls. For example, there is a tremendous need for new housing on the Reservation. In fact, we currently have over 400 people on a waiting list for homes. We cannot build these new homes until the infrastructure is available to support them.

It is time for the Federal Government to invest in Indian Country and meet its statutory and moral obligations owed to the Nation. The United States has a trust responsibility to the Nation, our citizens and our trust resources. Notably, ours is the only project Congress has authorized which is fully encompassed in an Indian reservation and which has 100 percent Indian project beneficiaries. We hope that you will work to ensure that Native American Tribal governments are included as governmental recipients of funds, along with state and local governments, for infrastructure work in the second economic stimulus. We also hope you consider other major tribal government needs regarding road construction and maintenance, housing, and health care. The proposed economic stimulus provides a major opportunity for tribes to address the overwhelming need and disturbing conditions in Indian Country.

Again, thank you for holding this very important hearing for Indian Country and for the opportunity to express our views and concerns as you move forward with the economic stimulus legislation.

PREPARED STATEMENT OF JOHN P. JURRIUS, PRESIDENT/CEO, NATIVE AMERICAN RESOURCE PARTNERS, LLC

Introduction

I would first like to commend Chairman Dorgan and Vice Chairman Murkowski for holding today's hearing on what I consider the most pressing issue in Native communities: job creation for tribal members and economic growth for tribal economies.

Every day the news reports bring more bad economic news with more Americans being laid off, slumping demand for goods and services, and the business community bracing for even more difficult times ahead.

My name is John Jurrius and I am the President and Chief Executive Officer of Native American Resource Partners, LLC (NARP), a private equity firm dedicated to working with and investing with Indian tribes to help them realize their economic development objectives.

My Background in Indian Economic Development

Some background is in order before I make my statement. Prior to founding NARP I served as financial advisor and strategic counselor to several Indian tribes. From 1995 to 2001 I served in these capacities to the tribal council of the Southern Ute Indian Tribe located in southwest Colorado. From 2001 to 2007 I served in these capacities to the tribal council of the Ute Tribe of the Uintah and Ouray Reservation in Utah.

I was honored to work with the leadership of these tribes and my role was to help them access the capital markets, provide strategic guidance to aggressively deploy and maximize their energy resources, and bring discipline to the interaction between tribal government decision-making and tribal commercial operations. In particular, I aggressively pursued what was then a novel concept in the realm of Indian energy: the active participation by Indian tribes in the development of energy resources on tribal lands. These activities were made possible by securing over $900 million in capital for tribal development partnerships and the creation of several billion dollars of commercial value by forging partnerships between Indian tribes and industry participants.

The tribes I worked with made the crucial decision to re-assume control over their energy assets and, since then, have made remarkable strides in generating revenues, creating job opportunities, and achieving long-term economic stability for their members.

The Ute Tribe of the Uintah and Ouray Reservation had no commercial ownership of their energy activities when I began working with them in 2001. Eight years later, the tribe is an owner of Ute Energy LLC, which owns commercial interests in over one hundred oil and gas wells on tribal lands, generates tens of millions of dollars in energy revenues, and possesses an interest in one of the largest gas processing plant in the State of Utah served by some 120 miles of gas gathering pipelines and related infrastructure of which the tribe has a major ownership.

These projects represent successful partnerships between the tribe and well-known and respected corporate partners such as Anadarko Petroleum Corp., Bill Barrett Co., Berry Petroleum, Questar Exploration and Production, and others. The tribe's progress is a testament to its leadership and tenacity in wanting to improve the lives of the Ute people.

I am particularly proud of the accomplishments of, and success enjoyed by, the Southern Ute Indian Tribe. As recently as 1990, the tribe was a poor tribe with 63 energy companies operating on the reservation. In 1992, the tribe formed a tribal energy corporation to buy back the leases it had entered with the private energy companies. Through expanded energy development and skillful acquisitions, by 2005 the tribe came to own commercial assets worth more than $3 billion. The tribe has a bond rating that exceeds the ratings of Denmark and Japan, operates a sprawling real estate portfolio, and is identified by industry as owning the eleventh largest private energy company in the United States. This tribe, by any standard, is engaged in Indian Self Determination on a scale and to a degree that no one could have foreseen just 18 short years ago.

Proposals to Create Jobs and Stimulate Indian Country Economies

Today's hearing is particularly important because Indian country's drive for economic self-sufficiency is hampered by challenges that most communities do not have: geographic remoteness, distance from markets and population centers, a lack of physical infrastructure, a mixture of governmental and business functions, and a lack of capital and financial expertise.

With the Congress now considering the *American Recovery and Reinvestment Act of 2009,* this Committee and Congress can assist Indian country in alleviating the multi-billion dollar backlogs tribal communities face in terms of physical infrastructure like roads and bridges, transmission lines and other energy infrastructure, housing, hospitals and clinics, and education.

The twin aims of the stimulus effort—creating jobs in the short-run and laying the groundwork for economic growth in the long-run—can be achieved in Indian country by focusing on building the kind of physical infrastructure necessary for renewable and non-renewable energy development in Indian communities.

Energy Development in Indian Country

My statement will focus on how the development of Indian tribal energy is in many respects a "two-fer": it will achieve the jobs and economic growth goals that the President and Congress have articulated, and it will also serve to wean America from her dependence on foreign sources of energy including oil, natural gas, and other resources.

This past May 2008, this Committee held an Oversight Hearing entitled "Regaining Self-Determination over Reservation Resources." In the course of that hearing, the Committee heard about the enormous potential of Indian energy, the new legal and regulatory regimes provided by the *Indian Tribal Energy Development and Self-Determination Act of 2005,* and the current challenges tribes face in achieving their energy development objectives.

Indian tribes in the lower 48 states possess a very large volume of energy resources—both renewable and non-renewable—and with Federal restrictions on exploring for energy in many parts of the country, tribal resources present one of the most significant opportunities for domestic production in the United States.

In 2001 the U.S. Department of the Interior (DOI) estimated the total dollar value of energy produced from Indian tribal lands for the period 1934–2001 to be $34 billion. These revenues derived from the production of coal, natural gas, and oil. In terms of undeveloped reserves and undiscovered resources, the DOI projected that Indian tribal lands could prospectively generate $875 billion derived from these same three sources of energy. In the intervening 7 years, the prices of energy products have increased so that, currently, these revenue projections would be billions of dollars higher.

In a real sense, the new Indian energy law authorized a sort of "energy stimulus" plan for Indian country: the new law includes financial and scientific assistance for tribes to identify and inventory their energy resources, requires the Federal purchase of energy produced on Indian lands, directs the Department of Energy to establish a $2 billion dollar Indian energy guaranteed loan program, and includes many other provisions.

The comprehensive nature of the new Indian energy law reveals Congress' clear intent that the law be used to help tribes bring their energy objectives from the concept phase to the project development phase.

As with any authorization enacted by Congress, the new Indian energy law is comprehensive in scope and will encourage the development of Indian energy resources but what it does not (and cannot) provide is the financial capital that modern energy project development requires.

The economic stimulus plan now being developed provides the Congress with a once-in-a-lifetime opportunity to provide funding for tribal energy projects that will create jobs immediately and will result in lasting physical infrastructure and capital assets to help grow tribal economies in the out-years.

Capital for Indian Country Energy Project Development

The leadership of this Committee has lead efforts in Congress to make sure Indian country is included in the stimulus plan that will become law very shortly. On January 9, 2009, Committee leadership, together with 13 other U.S. Senators, issued a letter to President Obama urging the inclusion of billions of dollars in Indian tribal projects in the economic stimulus plan.

While I am happy to note that the January 9th letter proposed $4.4 million for energy development on Indian lands, I must say that this amount is woefully inadequate to meet the need for tribal energy project development.

The need for capital in Indian country is not a new phenomenon. Eight years ago, in November 2001, the Department of Treasury's Community Development Financial Institutions Fund issued "The Report of the Native American Lending Study"—a comprehensive study of lending and investment practices on Indian reservations and other lands held in trust by the United States. The Report issued dozens of findings and made recommendations to the Congress and the President to overcome the obstacles encountered by Indian tribes and their members. Among its conclusions, the Report states:

> "Native American economies have about half the level of equity that comparable international economies (that is, countries or regions with similar GDP, population and other demographic factors) have. Further, the Equity Investment Research Report's comparisons to Indian Lands to similar economies suggests that if external equity investors were located in or serving Indian Lands and if the strategies to overcome existing obstacles were pursued and were successful, an additional $10 billion in equity could be invested in the Native American economy."

The need for capital in Native communities is great but only part of the demand is being met. Some Indian tribes own financial institutions to support economic development and housing. In addition, there are 19 tribally owned banks helping to provide banking services and capital to tribes and their members. There are also credit unions and Federally-created tools like Community Development Financial Institutions that are now operating in Native communities.

As important as these sources of capital may be for purposes of housing, consumer credit, and small business loans, the volume of capital is simply too modest and the institutions lack the capacity for the kind of risk involved with energy development. The Native American Bank, a consortium of Indian tribes, Alaska Native Corporations, and other depositors, has just $59 Million in capitalization to lend across the breadth of Indian country and not available for risk associated with energy development projects.

These entities provide services that help meet the demand for capital but, frankly, the need for investment capital and growth in Indian country are simply too great to be satisfied by the existing lenders.

Capitalizing Tribal Energy Projects

Whereas historically Indian tribes have assumed a passive role in the development of their energy resources, NARP's vision is to be partners in investing alongside tribes in their own tribal energy corporations. The Southern Ute Indian Tribe and the Ute Tribe of Utah have both used similar models to achieve extraordinary success and benefits for their members.

Whereas the passive model relies on a lessor-lessee relationship between an Indian tribe and its energy partner, NARP's business model will help tribes build and operate lasting tribal enterprises that bring significant returns to the tribe and jobs and incomes to the tribal members.

The reason I founded NARP is to create an avenue for private sector capital to be channeled into Indian country for the development of energy and associated resource opportunities. The NARP model relies on the proven methodology of providing needed capital to tribes to create co-partnered tribally-energy resource companies in the service of Indian Self-Determination.

NARP's focus is not on developing or encouraging private sector energy companies in Indian country but *investing in* energy companies owned and operated by the tribes themselves.

Over the course of more than 15 years working with Indian tribes I have raised large amounts of capital for those tribal clients as needed for specific projects. My experience demonstrated to me the reality that there simply was not an avenue for private capital to be accessed by Indian country for development purposes.

In recognition of the billions of dollars of capital that has moved into the energy sector over the last 5 years seeking and competing for investment opportunities in exploration and development, mid-stream and service companies, the opportunity to establish a "private equity fund" committed to Indian country at large was necessary and appropriate.

NARP is backed by Quantum Energy Partners, a private equity firm founded in 1998 and specializing in the energy industry with over $5 billion in capital currently under management. With the resources and contacts of the Quantum team behind it, NARP will have access to significant capital to be used in pursuing energy opportunities with Indian tribes, including opportunities to develop oil and gas reserves, midstream and downstream assets, power generation and transmission assets, geothermal assets, renewable energy assets and water rights and associated infrastructure.

NARP anticipates that it will leverage the capital and contacts of Quantum to make direct investments as well as sponsoring the development of other energy opportunities involving other participants. I am pleased to inform this Committee that NARP was not only successful in attracting capital for the purpose of investing in Indian country but has secured a level of commitment never seen before in Indian country: As a Quantum portfolio company, NARP is a member of an energy-sector private equity fund with $5 billion under management, and therefore has access to significant capital. Under NARP's mandate, its capital is solely dedicated to Indian country energy projects, thus providing a new and unprecedented capital source for Tribal energy investments.

NARP's Current Efforts

Since inception only seven months ago, NARP officials have visited some 15 Indian reservations in the U.S. and no fewer than 21 Canadian First Nations. We have entered agreements with the Assiniboine and Sioux Tribes of the Fort Peck Reservation, Montana, and the Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana, to create and develop tribal energy companies for the purpose of developing tribal resources.

In addition, NARP in the advanced discussions stage for similar co-partnered tribal or First Nation energy companies with tribes here and north of the border. We believe that the strong and immediate demand for NARP's capital and expertise arises from the capital starvation that these tribes and First Nations have experienced for over a century and, in particular, this demand arises from the fact that NARP's co-partnered tribal energy company structure allows tribes and First Nations to take active control of their economic and sovereign destiny by proactively pursuing development of the energy resources in and on their lands.

Recommendations

One major recommendation that I would respectfully make to the Committee and the Congress is to increase the length of time allowed for developing projects that rely on the use of Federal tax and other incentives. This could be accomplished by extending for an additional period of years the placed-in-service or other qualification periods for such incentives and projects, rather than setting them to expire year-by-year and then renewing them year-by-year. The recent practice of Congress in extending these tax incentives on a year-to-year basis simply fails to afford the tribes or their private sector partners with the kind of certainty and predictability that is required for successful project development.

While the current situation is a hardship for any capital investor undertaking a significant capital project that relies on Federal incentives, it is an extreme hardship for capital investors in Indian country in general and for the tribes with which they collaborate in particular. The reason for this is that, given the remoteness of most Indian reservations (and the associated long lead time required to bring the necessary infrastructure to support the project) and the uniqueness of contracting with Indian tribes due to their sovereign status and lack of commercial experience, an even longer lead time is necessary to make such incentive-driven projects even remotely possible to pursue, even for willing capital providers like NARP.

The existing renewable energy Production Tax Credit and New Market Tax Credit are examples of incentives that would be much more useful, and therefore used, in projects in Indian country if they were not set to expire each year or two and then renewed or reinstated at the last minute.

Just as Congress has seen fit to inject liquidity directly into the U.S. banking system, it should also consider providing Indian tribes with capital to begin or increase their participation in the formation and operation of tribal energy companies with qualified industry and financial partners. This capital will serve to stimulate the development of good-paying jobs for tribal members and strengthen tribal economies in the long-run.

In so doing, reinvigorated tribal economies can serve as local and regional engines of economic growth. In this role, tribal economies will perform like those “emerging markets” to stimulate rural regional economies as have the Southern Ute Indian Tribe in Colorado and the Ute Tribe of the Uintah and Ouray Reservation in Utah.

Conclusion

Mr. Chairman, I am certain that under your leadership the Committee will ensure that the needs of Indian country and Indian people are included in the stimulus plan so that the plan will have a positive impact there and, in the process, help tribes meet the everyday challenges faced by their members.

That concludes my statement and I thank the Chairman for the opportunity to present my views on this important issue.

PREPARED STATEMENT OF THE LUKACHUKAI COMMUNITY BOARD OF EDUCATION, INC.

Lukachukai Community Board of Education, Inc., hereby respectfully submit testimony to the Senate Select Committee on Indian Affairs to request support and include our school programs in the Economic Stimulus Package/s.

The Lukachukai Community Board of Education, Inc.,

The Lukachukai Community Board of Education, Inc., is located on the Navajo Nation and has interesting history and background of how the Community School evolved through the years. In July of 1998 the Community and the Board of Education took a giant step by converting the school via P.L. 100-297, Tribally Controlled School Act. By this authority the Governing Board provides educational services and related education programs for Kindergarten through Eighth Grade Indian population from surrounding communities.

Indian Student Equalization Program (ISEP)

The ISEP program funds the general operation of the education program. The program covers 90% of the school operation cost for Kindergarten through eighth grade, these are Gifted and Talented Program, Bilingual, Residential Program, Special Education, School Technology and School Security personnel.

The School philosophy and the Mission Statement specify that parents and community teach strong academics through Dine'culture, values, and traditions that enhances and strengthen individuality and independence. To carry out this mission the Board expends funds to hire qualified teachers, provide staff development during the school year, purchase of supplies/equipment for classroom instruction, offer bilingual instruction and provide extra curricula activities and organized sports for students.

School year 2007-2008 the Weighted Student Unit (WSU) was $4,169.00, this funding is far below the national per capita rate. According to a recent report, the average per pupil expenditure for public school students in this country is estimated at $8,600.00. In order to carry out the No Child Left Behind Act to improve and meet the Adequate Yearly Progress (AYP) on annual basis, adequate ISEP funding is needed to accomplish and provide high quality education for our children. School Boards have in past years requested of Congress to appropriate adequate funding for school operations.

Unless additional ISEP funding is provided, we will continue to face the these problems:

1. A large turnover of qualified and experienced teachers;

2. Limited salary increases for teachers and staff.
3. Not enough School Transportation funding is allocated thus ISEP funds are used to off set the transportation department. Last school year $122,000 of ISEP monies was used to transport students.
4. Limited spending on purchase of school supplies and equipment
5. Limited field trips for students

Recommendation:
In FY 2008 $479,895,000 was funded for Indian school operation, in FY 2009 the Administration proposes to decrease the FY 2008 by $4,301,000. The Board request $25,000,000 for Elementary and Secondary Programs- Department of Interior, Bureau of Indian Affairs. This will increase the Weight Student Unit (WSU).

Title Programs

All the Title Programs being offered are consolidated with the school's core academic programs and are part of NCLB Act. This Act must be carried out and specifies that all such strategies must be based on "scientifically based research." With the help of these supplemental programs the school is starting to see the learning and achievement of our students are getting positive results.

1. **Title I, Part A, improving the Academic Achievement of the Disadvantaged. Purpose: Aid for pupils in high-poverty schools.**

   This program assists schools with low income students in the areas of academic instructions, mainly Reading/Language Arts, Mathematics, and Science. The highlight shows how the program helped our students:

   - Based on the Spring 2008 test scores it shows a continue improvement in reading, writing, and mathematics thus students made AYP.
   - The school is offering supplemental instructional materials for regular, intervention, and after school program. Students like the incentive activities that are part of the program.
   - Quality training offered for instructional staff to align curriculum, did assessments, and instruction with State standards.
   - On regular basis the school or other trainers do staff development for all instructional staff.
   - Salaries are used for teachers, para-professionals, Parent Program Coordinator
   - Classrooms and Parent Involvement Center purchases supplies, equipment to operate the program. Funds are also used for travel, hiring of consultants, and parent activities.

2. **Title II Part A-Preparing, Training and Recruiting High Quality Teachers and Principals.**
   Purpose: to provide grants to SEA and LEA, Higher Education and eligible partnership in order to:
   - Increase student academic achievement through strategies by improving teacher and principal quality. Increase the number of highly qualified teachers, highly qualified principals and assistant principals.
   - Hold local educational agencies and schools accountable for improvement in student academic achievement.

   Lukachukai Community School uses Title II-A Improving Teacher Quality Grant funds on activities that are consistent with LEA plan and needs assessment. This allows the school to design and implement different activities for teachers to be come highly qualified and teach all students to achieve challenging State standards. The fund is used to provide school principal to gain knowledge and skills necessary to lead school effort to increase student achievement.

   - To improve the knowledge of teachers, principal and other educational personnel in one or more core academic subjects to effectively teach strategies, methods, and skills.
   - Train on effective integrated technology that encompasses curricula and instruction.
   - Training on how to teach students with different needs, including students with disabilities, limited English proficiency, English Limited Learners and gifted and talented students.
   - Training on methods of improving student behavior, identifying early appropriate interventions, and involving parents more effectively in their children's education.

   Funds must be spent on professional development only and must "supplement" Not supplant funding for activities. All activities funded must be based on review of scientifically based research.

3. **Title II, Part D, Enhancing Education through Technology.**
   Purpose: Training teachers how to use technology in the classrooms.

   The program is a positive factor as it brought knowledge on how to use technology in the classrooms. Inadequate funding in the past has affected the program.

   Teachers use technology-instruction to enhance student learning through for all grade level. One of the goal is to update surveys on regular basis for teachers and para-professionals on latest technology related instruction to assure students benefit in learning technology.

4. **Title IV, Part A, Safe and Drug Free School and Communities.**
   Purpose: Anti-Drug Program.

This program promotes a safe and healthy environment for the students by implementing the program goals. Such activities as healthy lifestyle, preventing, and intervention of substance abuse counseling support groups, presentation of drugs, alcohol, gang, and violence were done for students and staff. Information on drugs and alcohol are made available at family fun nights and classroom presentations to promote health lifestyle to community, students and staff. Professional consultants also provide workshops/trainings to students, staff, and community at large. Other trainings for staff members are bullying, anger management, and how to work with special education students.

High Lights for this program:

- Students are more motivated to attend school, because the staff did a lot of interventions with the students.
- More group counseling is being provided for students, we are instilling a change of behavior so students are more motivated to achieve and learn.
- Incentives are part of the program: student field trips, monthly honor activities, banquets, and rewards for positive behavior/school attendance are prevalent.
- Teachers are trained on classroom management: latest survey shows student behavior has changed for the better- negative behaviors have drastically decrease, this is a positive feeling for everybody.

5. **Title IV, Part B, 21st Century Schools. Purpose: After School Program.**

One of the goal is to provide services and activities for parents and community and bring the community and school to work more together. The school interweaved academic, bilingual, cultural, and wellness into the learning environment

Ten certified teachers and eight program leaders tutor first grade (1st grade) through eight grade, (8th grade) after school. Students who are academically behind received tutoring in reading, math, science and other subjects twice a week and also enrichment classes are offered.

High lights for this program:

- Relevant training for parents on academics programs, NCLB, CSR program, culture and Navaho Language and other activities are scheduled. Activities include family fun nights, movie nights, incentive awards and banquet. Parents and staff feel these activities are positive.
- Students tutored for core academic subject showed increase in their academic performance in reading, math and science programs.

- Students received Enrichment program/activities during the school year also showed more enthusiasm and motivation toward school work.
- One of the positive goal for 21st Century program is the health component which brought the staff, students and parents together to learn health topics and participate in activities that focuses on being healthy in mind, body and the overall well being.

6. **Title VI, Part B, Rural Education Achievement Program**
   Title VI, Part B of the reauthorized ESEA contains Rural Education Achievement Program (REAP) initiatives designed to address the unique needs of rural school district. Rural districts frequently lack the personnel to compete for Federal grants and often receive small grant to implement a program.
   Purpose:
   - Professional Development to improve Technology Integration for Significant Low Income Population.
   - Improve Instruction for English Proficient students with Significant Low Income Population.
   - Support School Improvement

7. **Title VII, Indian, Native Hawaiian and Alaska Native Education.**
   Purpose: Special programs for Native Americans.

   The Title VII Grant funding is used to supplement the Immersion Program Model and the Bilingual Enrichment program for K-8 students. This program revises and develop Kindergarten immersion curriculum and align with the state standards. Consultants train instructors and students for both Navajo Language and Culture development. Our goal is to provide meaningful bilingual instruction for Limited English Proficient students to become more proficient in English language.

Recommendation:
8% increase for all the Title programs as offered at the school and defined in this testimony. We believe the supplemental programs do help our students in achieving their academic goals.

Student Transportation

The School utilizes six (6) buses for daily K-8 transportation, educational field trips, and sport activities. Students are transported to school from three surrounding communities: these are Tsaile/Wheatfield, Round Rock, and Lukachukai.

Total transportation mileage per day for all bus routes is 391, on annual basis a total of 70,370 miles is accrued for the six buses, while round trip total transportation mileage on unimproved roads is 33,840 per year and total mileage on improved roads is 36,540 on annual basis. Students who receive tutoring services after school also are transported home. After school transport, extra curricula activities, away games (sports), field trips and summer school program are not federally funded. We can safely say total mileage for the school on annual basis is well over 72,000 miles.

Concerns:

- The treacherous road conditions places a lot of wear and tear on school vehicles and buses and do feel that inadequate funding for school transportation lacks quality preventive maintenance.
- The closest bus maintenance and service location is a 250 mile round trip, this is a four hour round trip and at least 3-5 hour wait time for service.
- Coupled with the high cost of repairs, the GSA rental and gasoline cost are escalating at a rapid rate, which means expenses beyond the allocated transportation funds are not enough therefore ISEP program funds are used to off set costs for the transportation department.
- Maintenance shops within immediate vicinity are non existence to do minor repairs nor bus barn for weather and security protection.

The surrounding towns' gasoline prices per gallon are lower by 20 cents as compared to the local Mustang gas station. Gallup and Farmington, New Mexico are the closest towns to our community.

According to last year's BIA budget justification, in SY 2007-2008 the Bureau funded transportation costs was at the rate of $2.61 per mile, total funding allocated; $201,600. while nationwide average for public schools was over $3.50 per mile. ISEP education funding in the amount of $122,000 is used to of set transportation cost.

The use of ISEP funds to off set transportation cost short changes our students' education and forces the school to stretch the extremely limited education dollars every year, therefore the BIA budget need to be increased for student transportation to a level that can provide the same amount as the national average per mile rate for public schools.

Recommendation:
Request to restore the FY 2008 enacted level and increase 8% to Student Transportation line item to adequately fund school transportation to cover all necessary cost so ISEP funds are not used to off set transportation expenses.

Food Service

The Food Service Department has kitchen, dining area, family style dining room, dish washing area, two offices and storage rooms. The kitchen staff prepares meals three times a day to feed the residential students while day students are fed breakfast and lunch only. Usually during the summer months they attend food preparation workshops to up grade their food service work.

Food service department also prepare meals for students during the month of June when summer school is in session.

Concerns:

- The present grease trap that was designed and installed during the 1960's is not sufficient to do the job and on monthly basis maintenance personnel have to check and clean the trap.
- The building has tile, ceiling asbestos and lead paint are prevalent through out the building. The tiles are starting to come out and this would pose a problem if we abate the asbestos the kitchen-cafeteria would have to be closed and no food services will be provided for our students.
- Ceramic sewer pipes are still in place due to lack of funds to replace these.
- There is no ventilation in the building.
- The heating system is inadequate and poor insulation through out the building.
- The blower from the wall heating units cause micro bacteria to be air borne, this can cause virus. This is a violation of environmental air quality in the building.
- There are no restrooms for students and staff in the building. People have to walk to another building to use the restroom. **Indian Health Service in their recent report recommended to build restrooms for both boys and girls. They further stated that the "walls are separating and causing the roof to leak and ruined the ceiling tiles."**

Facilities Operation and Maintenance

The school's Facility Management office is located in one of the school housing, this is due to lack of space.

The Facility Management program keeps all the school's facilities in working order to insure compliance with safety and BIA regulations. The campus consists of eleven (11) buildings. Despite less funding for Operation and Maintenance (O&M) the department continues to do preventive maintenance, fix and repair unscheduled maintenances while major repairs are reimbursed by the BIA. O&M funding is constraint at 56% this school year. While a lot of safety deficiency items have been abated and are now in compliance with standard codes recent AME school facility assessment shows additional deficiency items were added and the funding to abate all these is over $19.0 million.

In order to meet and abate most of the deficiencies, especially safety items, adequate funding is needed to bring facilities up to standards or the facilities will continue to deteriorate. Once items become part of the backlog, other deficiency items are added to the backlog the following year thus the dollar amount to abate and repairs increases.

Recommendation:
In the last few years the Operation and Maintenance funding had short fall and this school year it had a constraint of 56%. Inadequate funding to maintain all facilities to standard code has caused safety and health deficiencies increase costs beyond allocated funds.

Administrative Cost Grant

As School Board we are required by law to carry out functions, responsibilities and the contractual obligation between the Bureau of Indian Affairs and Lukachukai Community Board of Education. Administrative personnel consists of Administrative Services Director, Personnel Technician, Business Manager, and other support staff have the responsibilities and the duties to be accountable and assure that contractual obligations are being accomplished. School Board expenses are also part of the Administrative Cost funding.

Concerns:

- The last two fiscal years it shows a decrease in the school Administrative Cost funding at 8-10%. All these years ever since P.L. 100-297 was passed in 1988 the Administration Cost grant has a history of short fall by at least 25-35%. By Law the Federal Government suppose to fund schools at 100%, this has never happened except one year.
- Because of Administrative Cost funding shortages the Board had to lay off the Executive Director and the Executive Secretary positions. The Executive Director is crucial to the school in that a leader is needed to provide leadership and direction for the overall school programs. The Federal Government requires that the School Board be accountable for all the contractual obligation and implementation to meet federal policies, guidelines and Laws.
- Due to cut back on positions the Support Services Director which takes care of day to day operation for all non academic programs was abolished and in its place another position with lesser authority was created. The positions for Payroll Technician and another Secretary are combined to save money but in order to have an effective run school operation these positions need to be separate and distinct.

Recommendation:
We are concerned every year the Administrative Cost Grant (ACG) is funded between 65% and 75% on annual basis. It is recommended ACG is funded at $63 million and thereafter increase 3% per year.

Conclusion

The Lukachukai Community Board of Education would like to bring immediate attention to Senate Select Committee on Indian Affairs that we are educating our students in dilapidated buildings and adequately fund school program to meet the needs to educate our children. On behalf of our students we request funds to be appropriated to build a new school.

Attachment 1

TESTIMONY OF LUKACHUKAI COMMUNITY BOARD OF EDUCATION, INC., ON REPLACEMENT SCHOOL CONSTRUCTION AND SCHOOL PROGRAMS TO BE SUBMITTED TO SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

JANUARY 29, 2009

Lukachukai Community Board of Education is please to submit written testimony to the Committee and for the congressional review and record.

We respectfully request the Senate Select Committee on Indian Affairs to support and include Lukachukai Community School for the Replacement School Construction and school programs request in the Economic Stimulus Package/s.

March of 2008, the Consensus Building Institute (CBI) with the U.S. Institute for Environmental Conflict Resolution issued a *Final Convening Report: Negotiated Rule Making Committee on Bureau of Indian Affairs – Funded Schools Facilities Construction.* CBI reported in their findings some of the conditions of schools that "many schools were ill equipped for the information age", "security needs and related funding are major sources of concern for many schools", "over crowding is a major concern and a source of accelerating physical decline", "aging or poor design may lead to a substandard educational environment", "operation and maintenance needs are not matched by operation and maintenance annual funding", "asbestos are prevalent throughout the building so students are at a high risk because of exposure to hazardous materials". Of the 184 schools, 1/3 of the schools are in poor conditions, inadequate and in need of replacement or needing substantial repairs. Lukachukai Community School has by far numerous deficiencies that are in violation of Health and Safety Standards and continue to deteriorate as described in the above report.

The Board of Education, Inc., requested of the Navajo Tribe, the Federal Government to fund the school for a total school replacement Construction for the existing school. With this endeavor the Education and the Intergovernmental Committees of the Navajo Nation Council, the pertinent adjacent communities have supported and approved for the Board of Education to file School Replacement Construction application to the Federal Government. With the recent school's facility assessment done by Applied Management Engineering Inc., (AME) a firm contracted by Bureau of Indian Affairs showed additional safety, environmental and other deficiencies were identified and the funding to abate all these also increased substantially. Despite the dilapidated facilities with deficiencies school staff are still committed to work and the students are motivated to learn.

We have hired WH Pacific, Architectural and Engineering Firm, to do Program of Requirements (POR) Validation for the school facilities within the next month to determine weather a new school will be built or renovate. We strongly feel school buildings being over fifty (50) years of age a new school should be built.

Other pertinent information on the facility conditions are summarized below:

1. Our Tribal Administration approved to set aside 44.28 acres of land to build the new school that will serve an estimate of 500 children from Kindergarten to Eighth grade from Lukachukai, Round Rock and Tsaile/Wheatfield Communities. The hired Environmental Consultants have conducted Archaeological, Environmental Assessment, and Cultural Resources Identity survey and found no impacts that would hinder on wild life, vegetation, cultural resources and socioeconomic factors.

2. The school lack proper classroom spaces for all K-8 grade level, this is a violation of the Bureau of Indian Affairs Educational Space Guidelines. In prior years when the student enrollment increased certain classes used dormitory spaces to conduct instruction, these rooms do not have adequate lighting, spaces used for instructions are not of standards and the environment is not conducive for learning.

3. The specialty classes, 21st Century program office/classrooms are located in the stone buildings which were built in 1932. In 1985 one of the dormitory wing was converted to six rooms, these rooms were used for classrooms, special education, library, three offices, and a teacher prep room, these are not standard designed for instructional purposes or other usages. Other buildings are administration, gymnasium, Facility Management, fire station, kitchen/cafeteria, three (3) modular classroom trailers and residential complex. There are no warehouses to store equipment, supplies, or other materials. Wooden small structures are built to accommodate any equipment/supplies storage but rain and snow can damage the material content.

   Football, base ball and track fields for students use are non existence. All of the buildings were built in 1957 and in 1964, three of the buildings were expanded to accommodate classroom spaces but are poorly designed and not conducive for educational learning.

4. The school is built on a high density archaeological and burial sites that is present on school grounds which prevents any improvements or expansion. The Navajo culture prevents that a home or a school should not be built on a site of this nature, it can cause psychological effect on a person. Parents and community are strongly concern that these burials be removed or school be built at another site to prevent any more psychological effects to their children. Some parents have withdrawn their children from school due to the fact they were getting sick. We are anticipating that all burial remains will be reburied some place.

5. The Board, community, school employees, and the students have strong concerns about the poor dilapidated facility conditions, such as lack of air conditions and air circulation in all buildings, an EPA standard violations, the electrical system needs upgrading throughout the school, buildings are not energy efficient and asbestos/lead paint are prevalent through out the buildings. Classrooms and other buildings have roof leaks during rain and snow seasons. Some of the buildings have settlement problems and causes walls to crack. Also cracked and buckled sidewalks could be seen throughout the campus. Considering the age and the life expectancy of these building it poses a health and safety concern for students and school staff.

   The residential hall closed October 2007 due to carpet-mold build up, corroded water pipes, ruined ceiling tiles due to roof leak. This building still has a lot of deficiency items not yet abated. As of to date the residential building has not re-open.

   Junior High science teacher has to perform lab experiments outside due to the fact space is not available for this kind of instructional activity. The school does not have a backup generator for power failure, since the school is located in a remote area the power can be off up to eight (8) hours.

   Recent Indian Health Services report cited the Kitchen/cafeteria building as having structural problems causing the walls to separate as a result the roof leaked in several places. They also strongly recommended two restrooms be built in the building to accommodate both girls and boys. Other deficiencies were also cited, plan of action will be done to correct some of these.

   Total cost to abate all deficiencies for all school buildings at Lukachukai Community School is $19.5 million.

   Recommendation:

   In the President's FY 2009 Native Education Budget Request the education construction account request is $115.4 million, which is a $27.6 million decrease. For Replacement School Construction it includes a reduction of $24.3 million. Any reduction for school construction funding is not acceptable, schools are dilapidated and inadequate for children learning environment.

   The Lukachukai Board of Education recommends that funding be appropriated for full Replacement School Construction for Lukachukai Community School.

Staff Housings

The school has fifty one (51) housing units that were built in 1957 and 1958 respectively, these are made available for staff that are from long distance or from outside the community. The school employs one hundred twenty (120) employees and at least 75% of the staff need housings but due to shortage so many units are assigned. Due to limited work or storage spaces at the school three of the units are being used for Parent Center Program, an office for Facility Management and one for storage.

With inadequate maintenance funds or other funds allocated to maintain the school housings to code standards there are strong concerns: all housings contain asbestos/mastic in the floor tiles, ceilings, and walls. Due to wear and tear through the years asbestos can be air borne and can cause illnesses. The houses are not energy efficient therefore consumes more propane fuel during the cold seasons. There are cracks along side of window panes and crevices along side of the door which causes cold air to come in. During windy days dirt and sand comes through these crevices. Maintenance personnel replaced many roofs but many years of wear and tear rain-snow water seeps through the ceiling causing damage to wooden structures as well as interior walls.

All housings have poor electrical systems and connections that caused shortages, with additional years using same electrical wires can be prone to fires.
In the last few years the school received other funding and expanded the program and hired additional employees, housing these employees also caused housing shortage.

Total cost to abate all deficient items for school housing at Lukachukai Community School is $17.8 million.

In the President's FY 2009 Native Education Budget Request a net decrease of $350,000 for Employee Housing Repair. It is felt that any minor or major repair is not enough. For our school it would be far better to replace all housing units.

Recommendation:

The Board of Education recommends that new housings be built for school employees.

Attachment 2

January 29, 2009

The Honorable Byron L. Dorgan, Chairman
and Members of the Senate Select Committee
United States Senate
Senate Select Committee on Indian Affairs
322 Hart Senate Office Building
Washington, D C 20510-3505

Dear Honorable Senator Dorgan :

On behalf of Lukachukai Community Board of Education Inc. and the community we are please to submit our written testimony on the President's FY 2009 Budget. This testimony is being submitted for the congressional review and record. Further we request the Senate Select Committee on Indian Affairs to support and include Lukachukai Community School construction and school program funding request in the Economic Stimulus Package/s.

In the attached testimony for school construction we cite the March of 2008, the Consensus Building Institute (CBI) with the U.S. Institute for Environmental Conflict Resolution issued a *Final Convening Report: Negotiated Rule Making Committee on Bureau of Indian Affairs – Funded Schools Facilities Construction.* CBI reported in their findings of the conditions of schools that are dilapidated and inadequate for our children.

Our school operates educational programs for Kindergarten to Eighth grade with a population of 340 students. The existing school buildings were built in 1957 and part of 1960 and well documented through 2006 school's facility assessment that additional safety, environmental, handicap, and energy inefficient items were noted. We can safely say our facilities are dilapidated, inadequate spaces prevents extra classroom instruction or program expansion , ventilation are non existence and out of date heating system continue to heat all buildings, this creates environmental hazards and unsafe for our children.

School housings were built in 1957 and 1958 respectively and more than eight (80) employees live in these units which are dilapidated and exceeded its use.

Additional testimony on our school program funding need is also included.

We would like to thank the Committee for reading our testimony on why Lukachukai Community School is seeking a new school to be built for our children.

We will be more than happy to answer any questions or clarify that the Committee may have regarding our testimony.

Sincerely,

Margie R. Begay, School Board President

CC:
LCS Governing Board members
School staff; committee

PREPARED STATEMENT OF THE NATIVE AMERICAN CONTRACTORS ASSOCIATION

NCAI's "Job Creation, Recovery, and Reinvestment Plan"

The Native American Contractors Association (NACA) and the National Center for American Indian Enterprise Development (NCAIED) support the National Congress of American Indians (NCAI) "Job Creation, Recovery, and Reinvestment Plan." The NCAI plan will immediately stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. To ensure tribal government inclusion, the NCAI recovery plan recommends $5.4 billion in Indian Country projects, including:

- $604 million for Reservation Roads and Transportation Infrastructure
- $205 million for 21st Century Green Schools Rehabilitation and Construction
- $1.04 Billion for Clean Water, Waste Treatment and Irrigation Infrastructure
- $15 Million for Energy Independence Development, Efficiency and Reliability Program
- $370 Million for Health Facilities and Treatment Center Modernization and Construction
- $220 Million for Telecommunications Access and Emergency Management Infrastructure
- $1.68 Billion for Public Safety Infrastructure
- $966 Million for Housing Relief Rehabilitation and Construction Program
- $400 Million for Indian Lands Consolidation Program
- $148 Million for Guaranteed Loan and Surety Bonding Program
- $25 Million for USDA Loan Program Expansion for Business & Industry

NACA-NCAIED's "Native American Business Provisions in the American Economy Recovery Act to Aid Native American and Alaska Native Economies"

The following joint proposal by NACA and NCAIED recommends approaches that will enhance the ability of Native American businesses that compete for, are awarded and perform contracts to construct the infrastructure projects that are funded by the economic recovery legislation.

Our joint NACA-NCAIED plan focuses on mechanisms to enhance the ability of Native American businesses to participate in the infrastructure projects once funded. For many of the projects, federal agencies will need to initiate and complete these projects in a short time-frame and will likely rely on contractors to do some of the work. Our recommendations will facilitate this process by expanding opportunities to use the Buy Indian Act at the Department of Interior and Department of Health and Human Services, by enhancing the ability of small businesses to form a team to combine capabilities to compete more effectively for infrastructure work, and by increasing the bonding capacity of Native American construction businesses.

Our Native American business recommendations include: 1) A legislative directive to utilize the existing Buy Indian Act statutory authority for completion of projects funded under the Job Creation, Recovery, and Reinvestment Plan; 2) Legislative provisions for a small business teaming demonstration project; and 3) Full and expanded funding for the BIA Loan Guarantee Program, including the bonding provisions. These "win-win" recommendations will help ensure that the significant investment of federal funds will stimulate Native American economies, provide jobs in Native American Communities, and increase access to much needed capital in Indian country.

I. Buy Indian Act

The Buy Indian Act (36 Stat. 861 (1910)), Section 23, provides that when purchasing Indian supplies, so far as may be practicable, Indian labor shall be employed, and purchases of the products of Indian industry may be made. To accomplish this objective, the Secretary of the Interior may use other than full and open competition when purchasing "products of Indian industry" (25 U.S.C. § 47). [1] In 1994, Congress amended the Act to ensure that participation in DOD's Mentor-Protégé program did not disqualify Indian owned firms from also participating in Buy Indian Act procurements.

Contrary to the Act's intent, procurement officials have tended to favor other procurement set-asides such as the 8(a) program. Neither the Department of Interior nor the Bureau of Indian Affairs has ever published any implementing regulations, although the BIA follows a 1976 policy that its purchases or contracts are to be made with qualified Indian contractors, to the maximum practicable extent. 20 BIAM Bull 1 (Mar. 3, 1976). The BIA tends to follow the same requirements for Buy Indian contracts as those outlined in Indian Health Service (IHS) regulations, 48 C.F.R. § 370.503, when it makes Buy Indian purchases. These purchases represent a very small percentage of overall acquisition spending ($37 million in 2005, and only $10 million in 2006). While BIA took a positive step in 2007 by establishing a performance measure to increase by 5% the total value of the BIA charge card purchases from Buy Indian vendors of office supplies, much more should be done to fulfill the Buy Indian Act's intent.

Greater use of the Buy Indian Act could help diversify the pool of suppliers to the DOI and HHS, provide economic opportunities for Indian contractors, and create jobs in reservation and other struggling Native communities. Thus, Buy Indian contracting should be utilized in DOI and HHS procurements for facilities construction and other infrastructure projects that will likely receive funding in the economic stimulus package(s) that Congress will consider in the near term.

Legislative Policy Recommendation:

Congress should issue a directive to the Bureau of Indian Affairs and Health and Human Services to use the Buy Indian Act for projects funded under the Job Creation, Recovery, and Reinvestment Plan, that benefit Native American communities.

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[1] In 1926, Section 23 of the Act was split into two parts for codification purposes: 1) the requirement that the BIA adhere to the advertising/competitive rules of Section 3709 was placed in 25 U.S.C. § 93; and 2) the provision regarding the purchase of Indian goods was placed in 25 U.S.C. § 47, where it remains today.

Recommended Legislative Language:

> *"Each Federal agency administering funds appropriated for the benefit of Indians shall utilize procedures established pursuant to 25 USC 47 and 15 USC 637(a) for procurement of products and services whenever the contract to be awarded will –*
>
> *(A) further the special relationship between the United States and Indian tribes;*
> *(B) primarily benefit Indians, or*
> *(C) the majority of the contract activity takes place near or within the exterior boundaries of a reservation or a township that encloses all or part of any Alaska Native village listed in 43 USC 1610(b).*
>
> *For purposes of this section, the definitions of the terms, "Indian," "tribe" and "reservation" in 25 USC 1452 shall apply."*

II. Teaming

Economic recovery legislation should focus on small businesses and better enable them to compete for a larger share of government funded economic recovery project contracts. To incentivize contracting officers to increase awards to small businesses, legislative provisions should be enacted to launch a small business teaming set-aside demonstration project.

Legislative Policy Recommendation:

In addition to tightening limits on contract bundling and consolidation and breaking up such contracts to make smaller contracts available to award to small businesses, Congress should approve procurement procedures to enable teams of Native enterprises and other small businesses to pursue larger contracts. Contracting agencies should be required to issue a Request For Information (RFI) to small businesses so they have a chance to form teams to pursue these larger contracting opportunities. By working together in a team, the small business team members could increase their technical and financial capabilities to compete for a larger contract award.

Recommended Legislative Language:

> *"For the award of bundled contracts, as defined in 15 USC 632(o), the prime contractor performance requirement (limitations on subcontracting) set forth in 13 CFR 125.6 and when applicable, the requirement set forth in 13 CFR 124.510, shall be measured by the combined contract performance of the prime contractor and all first-tier small business concern subcontractors with whom a teaming arrangement has been formed under the provisions of FAR Subpart 9.6, provided the teaming arrangement is disclosed in the proposal or bid submitted in response to the solicitation."*

III. BIA Guaranteed Loan Expansion and Surety Bonding Program

One of BIA's most successful programs is the Guaranteed Loan Program for businesses, because it provides an attractive incentive for banks to expand and underwrite loans in Indian country. The default rate is enviable, administrative costs are shifted to the banks, and demand far outweighs the allocated funding. For FY 2008, the loan guarantee program provided security up to the ceiling of $80 million in loans between private banks and Indian tribes and tribal enterprises, but an additional $90 million in potential loans could have been guaranteed if the ceiling were raised.

In addition, to enable Indian-owned companies to participate in performing economic recovery infrastructure and other construction projects, they must be able to secure performance bonds. Tribally-owned construction companies, in particular, have been denied access to surety bonding because of the perceived risk associated with sovereign immunity – even when such immunity is waived for specific contracts. Increasingly, small business contractors are being required to show that they can obtain surety bonds to perform subcontract work, not just to be eligible for prime contract awards. Therefore, there is an increasingly urgent need to be able to secure a guarantee for performance bonds to ease the expense or outright denial of coverage needed to compete for and secure contracting opportunities.

Expansion of the successful loan program also would ensure tribal participation in renewable and other energy initiatives. Without capital, tribes will continue to occupy the lower levels of the value chain and not receive full value for their limited resources. This important funding will give tribes the opportunity to create wind energy, provide aggregates for road construction, and develop existing domestic fossil fuels.

Legislative Policy Recommendation:

With an anticipated increase in funding for infrastructure projects, Native American construction businesses must increase their bonding capacity and access to capital in order to participate in the infrastructure projects. Congress must ensure full and expanded funding for the BIA Loan Guarantee Program, including the bonding provisions, as requested in NCAI's stimulus plan.

Recommended Funding:

Congress should allocate $148 million for BIA Guaranteed Loan Expansion and Surety Bonding Program to ensure Native American participation in these infrastructure projects. We recommend support at the following specific levels:

- $9 Million – Fully Funding BIA Guaranteed Loan Program
- $39 Million – Expanding the BIA Loan Guarantees to Surety Bonding
- $100 Million – Expanding BIA Loan Guarantees for Energy Projects

Attachment

January 22, 2009

The Honorable Byron L. Dorgan
Chairman, Committee on Indian Affairs
U.S. Senate
Washington, DC 20510

The Honorable Lisa Murkowski
Ranking Member, Committee on Indian Affairs
U.S. Senate
Washington, DC 20510

Re: Submission of Testimony: "Proposals to Create Jobs and Stimulate Indian Country Economies," January 15, 2009.

Dear Chairman Dorgan and Ranking Member Murkowski:

The Native American Contractors Association (NACA) appreciates the opportunity to submit testimony for the record on the United States Senate Indian Affairs Committee Oversight Hearing on "Proposals to Create Jobs and Stimulate Indian Country Economies," January 15, 2009.

NACA and the National Center for American Indian Enterprise Development (NCAIED) have developed "Native American Business Provisions in the American Economy Recovery Act to Aid Native American and Alaska Native Economies" to enhance the ability of Native American businesses to participate in the infrastructure projects.

NACA brings a collective voice to Capitol Hill on public policy issues related to procurement and Native American economic development. Federal agencies, Congress, and other organizations look to NACA to provide information about Native American businesses and the Native 8(a) program. NACA monitors federal economic and business development policy and utilizes our member driven perspective to advocate successfully on their behalf. NACA's mission is to enhance self-determination through preservation and enhancement of government contracting participation based on the unique relationship between Native Americans and the federal government. NACA promotes the benefits of using Native-owned firms with high quality products and services in the federal government marketplace.

Our Native American business recommendations include: 1) A legislative directive to utilize the existing Buy Indian Act statutory authority for completion of projects funded under the Job Creation, Recovery, and Reinvestment Plan; 2) Legislative provisions for a small business teaming demonstration project; and 3) Full and expanded funding for the BIA Loan Guarantee and Surety Program. These "win-win" recommendations will help ensure that the significant investment of federal funds will stimulate Native American economies, provide jobs in Native American Communities, and increase access to much needed capital in Indian country.

Thank you for the opportunity to provide this testimony for the record of the January 15th hearing of your committee.

Sincerely,

Lance G. Morgan

Lance Morgan
Chairman
Native American Contractors Association

PREPARED STATEMENT OF MARTY SHURAVLOFF, CHAIRMAN, NATIONAL AMERICAN INDIAN HOUSING COUNCIL

Introduction

Good afternoon and thank you Chairman Dorgan and Vice Chairman Murkowski for this extremely important hearing on "Proposals to Create Jobs and Stimulate Indian Country Economies." It is sad but true that even before the collapse of the American housing and financial sectors in the fall of 2008, most American Indian and Alaska Native communities were plagued by extraordinarily high unemployment and poverty rates. In fact, our people have struggled economically not for 100 days but for 100 years.

Housing development in Native American communities involves more than simply building dwelling units. Because most American Indian reservations and Alaska Native communities are in geographically remote and rural areas, community development often starts with the design and construction of basic physical infrastructure and amenities that most Americans take for granted. This includes water and wastewater infrastructure, electricity, heat and cooling systems, and a host of others. Providing these assets while building homes is an extremely costly endeavor and one reason for the high cost of housing development in Native communities.

In Alaska Native Villages, for instance, water and wastewater treatment systems are often insufficient or non-existent with nearly 33 percent of rural Alaskan homes without indoor plumbing. Without adequate sewer systems, villagers must use alternative waste disposal methods that can create risk of health complications for the community and/or possibly create an environmental disaster by contaminating the same water supply they use for drinking.

According to the U.S. Indian Health Service as recently as 1995, the gastrointestinal death rate for American Indians and Alaska Natives, was 40 percent higher than the rate for all other races in the United States. Safe drinking water is essential in preventing the spread of several diseases including, hepatitis, typhoid, cholera, and paratyphoid.

Indian Development Involves Multiple Agencies

The U.S. Indian Health Service (IHS) strives to uphold the Federal government's obligation to promote the health of American Indian and Alaska Native people and to protect the sovereign rights of Indian Tribes. One facet of the IHS' mission is to ensure that comprehensive personal and public health services are available and accessible to American Indian and Alaska Native people.

The Office of Environmental Health and Engineering within IHS houses the Sanitation Facilities Construction Division which is charged with providing American Indian and Alaska Native homes and communities with essential water supply, sewage disposal, and solid waste disposal facilities.

Federal funding is insufficient to address the health needs of Native people and for these activities in particular is highly competitive among Indian Tribes and Alaska Native Villages. In addition to funding shortfalls, there are restrictions in the law that prevent IHS Facilities Construction funding dollars from being blended with Federal housing funds in the construction of homes in Native communities.

Native American Housing Assistance and Self-Determination Act

The *Native American Housing Assistance and Self-Determination Act of 1996* ("NAHASDA," as amended, 25 U.S.C. § 4101) addresses the need for affordable homes in safe and healthy environments on Indian reservations, in Indian communities, Alaska Native villages and on Native Hawaiian Home Lands. Since its enactment, NAHASDA has enhanced Indian tribal capacity to address the substandard housing and infrastructure conditions in by encouraging greater self-management of housing programs, greater leveraging of scarce Indian Housing Block Grant (IHBG) dollars, and greater use of private capital through Federal loan guarantee mechanisms.

Housing activities that may be funded with NAHASDA assistance include new construction, rehabilitation, acquisition, infrastructure, and various support services. Housing assisted with these funds may be either for rental or for homeownership. NAHASDA funds can also be used for certain types of community facilities if the facilities serve eligible, low-income residents. While NAHASDA was first enacted in 1996, it has been amended four times: in 1998, 2000, 2002, and 2008.

The NAIHC appreciates the unswerving commitment of this Committee to last year's reauthorization and cannot say enough about how the efforts of the Chairman and Vice Chairman and their excellent staff made the reauthorization possible.

Key to the success of the Economic Stimulus Plan and the long-term health of Native economies is physical infrastructure. In addition to the ongoing unmet needs in Native communities, few would argue that a sound physical infrastructure plays a vital role in encouraging more productive tribal economies. As is the case with non-Indian communities, a well built and maintained road system, housing, electricity, wastewater, and land improvements all contribute the necessary foundation for economic growth, increased safety and improved quality of life for Native people.

Recurring challenges to the physical infrastructure issue involve access to capital and financing, conflicting statutory and regulatory provisions, and a need for comprehensive planning. Current appropriations language prevents IHS sanitation funds to be used in conjunction with NAHASDA funds to connect new water and wastewater infrastructure to the new homes.

The Economic Crisis and the Stimulus Plan

It seems that the daily business reports continue to paint a bleak picture of the American economy: rising unemployment, tight credit, weak consumer spending, and falling producer prices.

Congress began consideration of stimulus legislation in the final months of 2008. In fact, legislation was introduced in the 110th Congress (H.R. 7110) to authorize what seems now like a paltry sum—$50 billion—to be spent on a variety of infrastructure activities including airports, roads and highways, transportation and transit, water projects, schools, and housing. This legislation is said to be the "starting point" for the stimulus package to be considered in the first weeks of February 2009. As these efforts move forward, it should be kept in mind that American Indian and Alaska Native economies have been plagued by far higher rates of unemployment and poverty for decades.

I hope my statement offers ways that might help alleviate the economic difficulties facing America's Native people by focusing on initiatives that will have the greatest immediate effect on job creation and income stabilization.

Both President-elect Obama and congressional leaders have suggested that of highest priority are those projects that (1) will have significant, immediate effects on jobs and income creation in the communities they are built *and also* (2) serve to facilitate and encourage future economic growth in those communities.

As the American economy continues to perform poorly in terms of creating jobs and providing income to citizens, Congress and President-elect Obama are focusing on an Economic Stimulus Plan that would pump nearly $1 trillion of direct Federal spending on projects that involve our country's physical infrastructure: housing, schools, hospitals, water facilities, electricity delivery and renewable energy.

I applaud those 15 Senators, led by Chairman Dorgan and Vice Chairman Murkowski, who on January 9, 2009, issued a letter to President-elect Obama outlining the billions of dollars in "shovel-ready" projects that are poised for development in Indian country including health facilities, schools, detention and justice centers, and others. The January 9, 2009, letter also encourages the expenditure of stimulus funding on energy projects and land consolidation, both of which hold great promise for immediate job creation and long-term economic growth.

Funding for Indian Housing and Infrastructure

While the January 9, 2009, letter includes $50 million for the Department of the Interior's Housing Improvement Program (HIP), it fails to include any funding for housing construction, repair, or rehabilitation for the Office of Native American Programs (ONAP) within the Department of Housing and Urban Development (HUD). As this Committee knows, the ONAP administers the Indian Housing Block Grant as well as funding for housing-related infrastructure, the Title VI Loan Guarantee, and the Section 184 Home Loan Guarantee.

After an exhaustive review of housing and related infrastructure needs and potential projects, the NAIHC has concluded that there are more than $2 billion in "shovel-ready" projects that can and should be funded in the Economic Stimulus Plan.

Evidently, some in Congress believe that HUD is "sitting on" nearly $1 billion in Indian housing and related infrastructure project funds and are using this misperception as the rationale to exclude Indian housing programs at HUD from the Economic Stimulus Plan. I can assure this Committee that any already-appropriated funding held by HUD is obligated for Indian housing. The nature of the housing construction industry is such that funding may be obligated for certain projects and expended over many months if not years. In any event, the notion that there is fresh, unaccounted for Indian housing funding in HUD's account is simply not true and there is every reason to include HUD's Indian housing programs in the Economic Stimulus Plan.

Other Recommendations

In addition, there are a number of qualitative proposals and initiatives that can help ensure the success of the Economic Stimulus Plan. For instance, in new housing construction, rather than insisting on tribal compliance with Federal environmental processes, the U.S. might consider relying on the environmental processes developed and being implemented by Indian tribes across the country. Just as other Federal laws (such as the Davis-Bacon prevailing wage law) are pre-empted by the application of tribal laws, this would go a long way in expediting construction projects and ensuring the maximum number of workers in Indian country are put to work quickly.

In addition, given the emergency nature of our economic situation, Congress might consider lifting the prohibition on using Indian Health Service funding for housing-related wastewater and water service infrastructure in the construction of

HUD-assisted housing on tribal lands. If Indian tribes and their tribally-designated housing entities were authorized to, in essence, “blend” Federal funding in this manner, homes on tribal lands would be assured of having sanitation and water services as a matter of course.

Congressional leadership and the incoming Obama Administration are jointly coming to the same conclusion that the “most ready” of the “shovel-ready” projects are those that involve repair and rehabilitation of existing structures such as schools, houses, hospital, or other buildings. We believe the same holds true for Indian country and therefore urge the Committee to consider the expenditure of hundreds of millions if not billions of dollars in stimulus funding to enable Indian tribes and TDHEs to initiate a “Building Rehabilitation Initiative” that can put large numbers of tradesmen and others to work in a very short amount of time.

As the Committee is well aware, Federal and tribal structures that were built over the past several decades are in bad shape and in need of immediate attention. Making these structures energy efficient through retrofitting and the application of state-of-the-art technology makes a lot of sense and will create large numbers of good-paying jobs for Indian people.

Federal and tribal health facilities located on tribal lands would also benefit enormously from the widespread deployment of information technology and such as telehealth and tele-medicine, such as the use of electronic medical records, long-distance radiology and others.

The resultant health benefits to tribal members and other users of these technologies would be significant and long-term.

Similarly, these efforts would include remediation of methamphetamine lab activities, removal and disposal of asbestos, lead paint, and black mold, and other structural problems that make these structures uninhabitable.

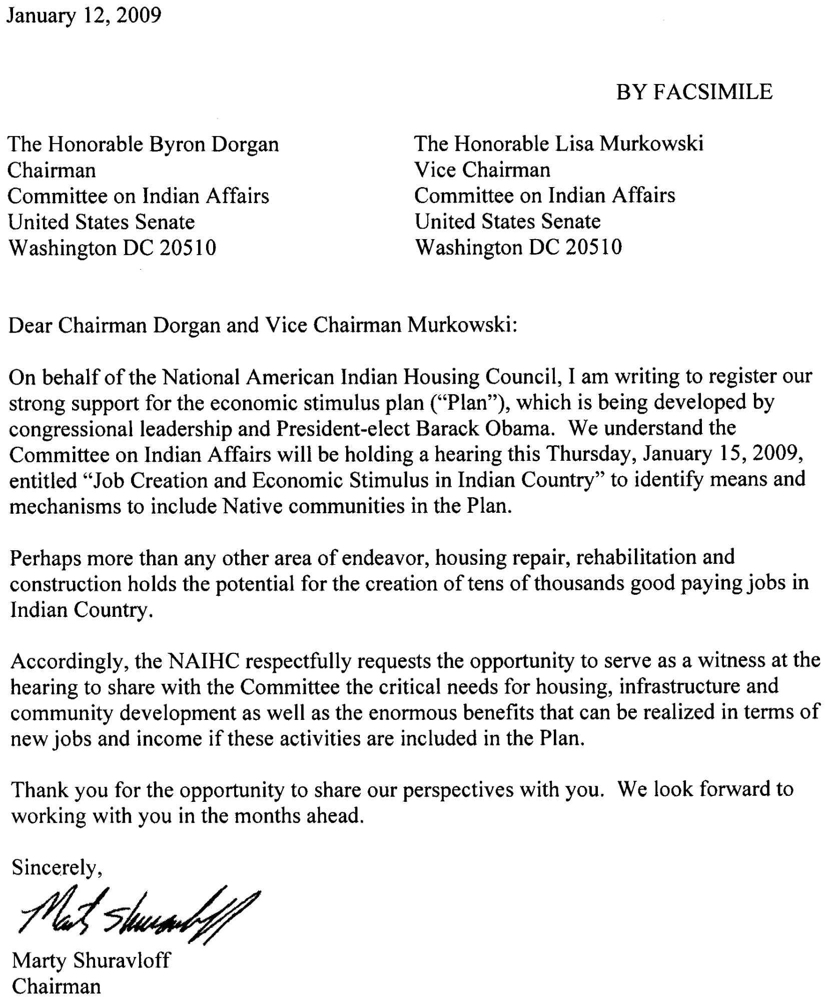
The most expeditious way to channel stimulus funding to these activities on tribal lands would be to use existing *Indian Self-Determination and Education Act* (Pub.L. 98–638) contracts to tribes to carry out these initiatives.

The Committee should also encourage the long-term or permanent extension of the *Indian Wage Credit* and *Accelerated Depreciation* tax incentives that will expire at the end of December 2009. These incentives serve to attract capital investment and capital equipment to Indian reservations that are used in commercial enterprises that rely on Indian labor and bring physical infrastructure to reservations that otherwise would not benefit from such investments.

Conclusion

I thank the Chairman for the opportunity to provide the perspectives of the NAIHC and our members and look forward to working with the Committee in the weeks and months ahead.

Attachment



January 12, 2009

BY FACSIMILE

The Honorable Byron Dorgan
Chairman
Committee on Indian Affairs
United States Senate
Washington DC 20510

The Honorable Lisa Murkowski
Vice Chairman
Committee on Indian Affairs
United States Senate
Washington DC 20510

Dear Chairman Dorgan and Vice Chairman Murkowski:

On behalf of the National American Indian Housing Council, I am writing to register our strong support for the economic stimulus plan ("Plan"), which is being developed by congressional leadership and President-elect Barack Obama. We understand the Committee on Indian Affairs will be holding a hearing this Thursday, January 15, 2009, entitled "Job Creation and Economic Stimulus in Indian Country" to identify means and mechanisms to include Native communities in the Plan.

Perhaps more than any other area of endeavor, housing repair, rehabilitation and construction holds the potential for the creation of tens of thousands good paying jobs in Indian Country.

Accordingly, the NAIHC respectfully requests the opportunity to serve as a witness at the hearing to share with the Committee the critical needs for housing, infrastructure and community development as well as the enormous benefits that can be realized in terms of new jobs and income if these activities are included in the Plan.

Thank you for the opportunity to share our perspectives with you. We look forward to working with you in the months ahead.

Sincerely,

Marty Shuravloff
Chairman

PREPARED STATEMENT OF THE NAVAJO NATION

Chairman Dorgan, Vice Chairman Murkowski, and members of the Committee, thank you for this opportunity to provide testimony on behalf of the Navajo Nation on job creation and economic stimulus in Indian Country. My name is Rex Lee Jim. I am an elected Delegate to the Navajo Nation Council and serve as the Chairman of the Public Safety Committee of the Navajo Nation Council.

The Navajo Nation has a population of more than 300,000 spread over an area larger than West Virginia. The Navajo Nation includes over one-third of the national on-reservation population of Indian Country. Unemployment levels above 50 percent persist on the Navajo Nation despite our efforts to find ways to attract various types of businesses to locate on the reservation to create jobs and spur economic development.

The Navajo Nation is challenged daily with attracting businesses to a reservation that has little or no infrastructure. Many businesses explore the possibility of locating to the Navajo Nation before realizing the obstacles of inadequately paved roads and the lack of electricity, water, and telecommunication services, not to mention inadequate public safety services due to limited police presence and lack of detention and court facilities.

The economic downturn in the U.S. and the world economy has exacerbated the economic difficulties that were already facing the Navajo Nation. Therefore, we support the enactment of an effective and targeted economic stimulus plan that includes measures to assist Indian Tribes in creating jobs and expanding economic opportunity in Indian Country.

Stimulus Package Should Fund the Emergency Fund for Indian Safety and Health

The 110th Congress recognized the tremendous need in Indian Country and responded by enacting the $2 billion "Emergency Fund for Indian Safety and Health", which was approved as part of the reauthorization President's Emergency Plan for Aids Relief (PEPFAR). This landmark legislation authorizes funding for public safety, health care, and water projects in Indian country. The Navajo Nation applauded the enactment of the authorization for the Emergency Fund, and now we urge Congress to provide the necessary funding to achieve the important goals that the Fund seeks to achieve. Therefore, the Navajo Nation urges Congress to provide $800 million for the Emergency Fund as part of any economic stimulus bill.

Public Safety is a Key Element of Economic Prosperity

One of the basic tenets of economic prosperity is a safe environment for businesses and citizens. Our economy cannot prosper without providing basic public safety to its citizens. Unfortunately, public safety on the Navajo Nation has declined due to the lack of sufficient police presence, lack of adequate detention facilities and an absence of sufficient court facilities.

It is widely recognized that Indian Country law enforcement has been underfunded at nearly all levels of police, investigation, prosecution, courts, detention and rehabilitation. Numerous Congressional hearings, government reports, and media investigations have documented that there is a public safety crisis in Indian Country. American Indians experience per capita rates of violence that are much higher than those of the general population. According to DOJ statistics, Native men and women are still more than twice as likely to be a victim of a violent crime as any other racial or ethnic group. Nearly a third of all American Indian and Alaska Native women will be the victim of sexual assault in their lifetime, the highest rate of any racial or ethnic group. Most reservations have well-below the recommended number of police officers per capita. Also, U.S. Attorneys decline to prosecute more than two-thirds of cases originating in Indian Country, which is also well-above national averages. The conditions of tribal jail facilities are a national disgrace.

The U.S. Attorney's Office in Flagstaff estimates that violent crime on the Navajo reservation is six times higher than the national average. However, we cannot incarcerate criminals without putting them at significant physical and health risk due to deteriorating facilities. Therefore, in many instances, tribal court is just a revolving door for many criminals, and criminals and their victims have a complete disregard for our criminal justice system. Communities across the reservation and neighboring towns are at risk.

It takes no imagination whatsoever to understand the scarring impact of these high crime rates not only on the victims, but also on their communities and on the business environment. In the Native way, when one person is harmed, everyone is harmed. Adequate funding for the provision of basic public safety services is an essential part of any strategy to reduce Indian Country crime rate and provide the same safe and secure environment for Native peoples that is enjoyed by most other Americans. Without sufficient police, detention facilities, courts, and general public safety resources, we cannot address the growing problem of crime, which retards our ability to provide peaceful communities and a healthy environment for business activity.

The Federal Government has assumed responsibility for much of the day-to-day law enforcement services on Indian reservations. Under the Major Crimes Act and other federal laws, Indian communities are dependent on the Federal Government for investigation and prosecution of many crimes committed on Indian reservations. The Department of Justice and Department of Interior share responsibility for law enforcement and detention facilities in tribal communities. In addition, the Department of Health and Human Services through SAMHSA and the IHS, provide much needed treatment, rehabilitation, prevention, and early intervention programs. The high rates of crime on reservations indicates that this system does not provide sufficient resources to keep Indian people safe.

Detention Facilities

One of the most pressing problems facing Indian Tribes is the lack of detention facilities. In 2004, the Department of Interior Inspector General published a study of Indian detention facilities entitled “Neither Safe Nor Secure—An Assessment of Indian Detention Facilities” (Report No. 2004–I–0056). The Inspector General’s office was shocked by what it found:

> “Early in our assessment, it became abundantly clear that some facilities we visited were egregiously unsafe, unsanitary, and a hazard to both inmates and staff alike. BIA’s detention program is riddled with problems and, in our opinion, is a national disgrace with many facilities having conditions comparable to those found in third-world countries. In short, our assessment found evidence of a continuing crisis of inaction, indifference, and mismanagement throughout the BIA detention program. BIA appears to have had a laissez-faire attitude about these horrific conditions at its detention facilities.”

According to the recent report of Shubnum Strategic Management Applications, the federal government needs to spend $8.4 billion to bring tribal and federal detention centers in Indian Country up to current standards and to relieve overcrowding. According the Report, when the jails were inspected in spring 2006, many had too many inmates and not enough jailers. At the Navajo Nation’s Window Rock Detention Center in Arizona, two detention officers were assigned to guard 68 inmates at a time. “The 68 inmates were packed’ on every horizontal space in the dormitory cells,” the report says. “This included two individuals on a single bunk bed and several individuals on the only available floor space below the bunk beds. The foul stench was extremely high at this hour with the crowded condition.”

We are grateful that Chairman Dorgan has led the effort to make the results of the Shubnum study public, and hope that the Committee will continue to lead the fight to address this massive and widely acknowledged problem. The federal government must honor its trust responsibility to the Tribes and provide resources to repair existing facilities and build new detention facilities across all of Indian Country.

Navajo Nation Detention Facilities

In the late 1950s and early 1960s, the Navajo Nation constructed six detention facilities. Of our many urgent public safety needs, our highest priority is to replace or fully renovate these out-of-date and dilapidated facilities. For example, the Tuba City and Chinle detention facilities have been closed for health and safety reasons. Our remaining facilities at Kayenta, Crownpoint and Window Rock are only a few years away from joining Tuba City and Chinle as facilities not fit to house animals, much less human beings.

The detention facilities on the Navajo Nation have deteriorated so severely that prisoners can only be kept overnight in three of our six adult detention facilities. Since we only have 113 jail beds for the entire Navajo Nation, many inmates serve only a portion of their sentences due to the lack of available detention facilities. Unless we build more detention facilities, criminals arrested in Navajo Nation are essentially getting a “get out of jail free” card. The problems facing the Navajo Nation are not unique. Many other tribes are suffering from a lack of detention facilities and deteriorating conditions in existing facilities.

The Navajo Nation has recognized the lack of detention facilities as a paramount priority enacted a 1 percent sales tax dedicated for judicial/public safety facilities. We have raised our own taxes, despite the poor economic situation in the Navajo Nation, to address this vital issue. It is time for the federal government to fulfill its trust responsibility and join us in providing funding for new detention facilities.

Federal Neglect of Navajo Nation Detention Facility Needs

The Navajo Nation has raised the need for detention facilities for many years, and many federal officials have recognized the need for additional facilities. However, despite the obvious need of new detention facilities, the BIA and the DOJ have not provided the necessary funding, or provided solutions for rebuilding the Navajo Nation jails. In the last decade, a joint Justice-Interior initiative has built or expanded 22 detention facilities in Indian country, but no new adult facilities have been built on the Navajo Nation. In fact, at the start of this initiative a list was compiled prioritizing the facilities needed across Indian country. There were three Navajo facilities on that list; every facility ahead of these three have been built, as well as several after.

In fact, the FY 2003 President’s budget request contained the names of eleven detention center facilities on a priority list that remained to be funded. The following table reported in the FY 2003 President's budget request lists the eleven remaining facilities, by ranked order:

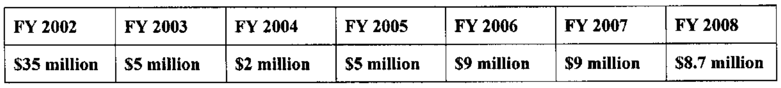
Table 1. Unfunded Detention Facility Priority List

Rank	Tribe/Reservation
7.	Salt River Pima
8.	Colville Confederated Tribes
9.	Navajo-Crownpoint, NM
10.	Navajo-Kayenta, AZ
11.	Navajo-Shiprock, NM
12.	Mississippi Band of Chocktaw Indians
13.	Tohono O'odham
14.	Confederated Tribes of the Umatilla Indians
15.	Eight Northern Pueblo
16.	San Carlos Apache Tribe
17.	Three Affiliated Tribes of Ft. Berthold

The Navajo Nation was scheduled for three detention facility construction projects according to the priority list that was included in the President's FY 2003 budget. However, funding for the Tribal Prison Construction program has been cut, and the detention facilities on the priority list have apparently been abandoned by BIA and the Department of Justice.

Lack of Funding for Tribal Prison Construction

The Correctional Facilities on Tribal Lands program was authorized by Section 20109 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub.L. 104–134). The Program has provided grants to Native American and Alaska Native tribes to assist them with the planning and construction of correctional facilities for people convicted under and subject to tribal law. However, in recent years Congress and the Administration have dramatically reduced funding for this vital program:



FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
$35 million	$5 million	$2 million	$5 million	$9 million	$9 million	$8.7 million

Despite the shocking Inspector General Report in 2004, and the incomplete priority list, the Correctional Facilities on Tribal Lands Program has been reduced to only providing planning grants and for the completion and repair of the facilities that have already begun construction. The FY 2006 Justice Appropriations bill, for the first time in several years, provided $7,000,000 for construction of the Choctaw Justice Center in Mississippi. Since the Administration was not acting to address the need for detention facilities, Congress was forced to provide an earmark for the construction of one facility. Ironically, that facility was ranked lower on the priority list than 3 Navajo facilities.

Need for Increased Funding for Police

The President's FY 2008 budget for the Department of Interior, the Bush Administration proposed a $16 million increase to combat a methamphetamine crisis in Indian Country by improving policing capabilities in Indian Country. However, the need for resources for law enforcement in Indian country is so great that this increase did not adequately resolve the shortfall in police and detention personnel facing Indian public safety agencies. In fact, the "FY 2008 Departmental Highlights" document outlining the Safe Indian Communities Initiative states that the new funding will, "Increase the percent of BIA/tribal law enforcement agencies that are on par with recommended national staffing levels from 38 percent in 2007 to 40 percent in 2012." So, the increase helped marginally, but the need for law enforcement staffing assistance in Indian is much greater, and federal spending has been consistently inadequate.

The Navajo Nation understands that Senator Leahy and others have called for funding in the stimulus package for the Community Oriented Policing Services (COPS), the Byrne grant program and other initiatives that assist state and local law enforcement agencies by providing resources to hire more police officers and to buttress other anti-crime efforts and proven crime prevention strategies. In recent years, these and other anti-crime programs have suffered funding cuts that have resulted in staffing shortages across the country and fewer cops on the street.

Senator Leahy recently stated that, "The budget priorities of the Bush administration have weakened some of our most important federal anti-crime programs. As the nation plunges deeper into recession, it is essential that we restore funding to programs like COPS and the Byrne grant program so that state and local communities strapped for funds can prevent a rising tide of crime." If Congress acts to increase funding for law enforcement in the stimulus bill, we urge Congress to include Indian Country in these efforts.

Emergency Fund

Congress took a positive first step in enacting a $2 billion Emergency Fund for Indian Safety and Health as part of the PEPFAR legislation. The new law authorized funding for Indian public safety, health care and water projects. The infrastructure, public safety, and health projects to be funded by new Trust Fund are exactly the types of programs that will provide jobs and spur economic recovery. However, while the authorization has been approved, it is uncertain how funding will be appropriated into the fund.

The legislation authorizing the Emergency Fund states, "There is established in the Treasury of the United States a fund, to be known as the Emergency Fund for Indian Safety and Health, consisting of such amounts as are appropriated." The authorizing legislation does not describe which appropriations bills will provide the funding or how the appropriations will be provided. The Navajo Nation is anxious to partner with federal agencies and Congress to assure that the authorization is fully funded. Without getting appropriations to the fund, no money can be spent from the fund as envisioned in law.

The economic stimulus bill provides an ideal opportunity for Congress to fulfill the promise established with the enactment of the Emergency Fund. Therefore, we urge Congress to provide $800 million to the Emergency Fund as part of any stimulus legislation enacted by Congress.

Working Together the Crisis in Indian Country Public Safety Can be Addressed

The Navajo Nation has enacted a 1 percent sales tax increase dedicated to solving this problem. It is time for the Federal Government to join us in providing funding for detention facilities. How else is America's largest populated Indian reservation ever to turn around its high rate of crime? How else is our criminal justice system ever to adequately partner with other jurisdictions, when all we do is release our criminals back into our communities? How are we to protect our children, families, communities and nation from violent individuals who do not respect law and order? It is time to fix this unacceptable situation.

This Committee has shown great leadership in focusing attention on public safety issues in Indian Country. We urge your continued support and ask that you seek the highest possible funding for the Emergency Fund for Indian Safety and Health.

Thank you for this opportunity to share the concerns of the Navajo Nation. Please do not hesitate to contact me if you have any questions or if we can be of any assistance. The Navajo Nation looks forward to working closely with the Committee to address public safety concerns in Indian Country.

PREPARED STATEMENT OF THE NATIONAL CENTER FOR AMERICAN INDIAN ENTERPRISE DEVELOPMENT (NCAIED)

Mr. Chairman and Members of the Committee, the National Center for American Indian Enterprise Development (NCAIED) applauds you for always providing a strong voice to help effectuate initiatives designed to spur economic and business development, job creation, and self-sufficiency in Indian Country, particularly in these challenging times. This statement is presented on behalf of the NCAIED, its Board of Directors (a renowned group of Native American business and opinion leaders), and its network of centers whose dedicated business consultants help Indian tribes and Native entrepreneurs start, maintain and strive to grow their business enterprises. These centers do yeomen's work and, with adequate funding, they could do even more to spur business growth and job creation. It is imperative that the economic stimulus package ultimately enacted will meet the serious economic needs of tribal governments, Native communities and Native businesses across the country by including the three groups of provisions recommended below.

Celebrating 40 years of service to Indian Country, the NCAIED is the oldest Native non-profit organization dedicated solely to developing Native American economic self-sufficiency through business ownership. The NCAIED and its network of

Native American Business Enterprise Centers (NABECs) and American Indian Procurement Technical Assistance Centers (AIPTACs) deliver critically needed business development, management and procurement technical assistance to Indian tribes, Alaska Native village and regional corporations, enterprises owned by them, and businesses owned by individual Native entrepreneurs.

The NCAIED-related centers have proven records of assisting a majority of the tribes, providing business and procurement technical assistance training to over 10,000 tribal members and 25,000 Native businesses over time, and *creating economic stimulus* by:

- assisting clients to secure over $2 billion in contract awards in the last 2 years; and
- generating an estimated 41,000 jobs as a result.

Every NABEC and AIPTAC across the country, whether under our umbrella or independent, serves on the front lines with Native contractors and other businesses poised for award and performance of the "shovel-ready" infrastructure, transportation, facilities construction, energy development, health IT, and many other stimulative initiatives contemplated for the economic recovery package now under consideration.

I. Support NCAI's Stimulus Plan

The NCAIED fully supports the thrust of the plan proffered by the National Congress of American Indians (NCAI), as well as the plan outlined in the recent letter to President-Elect Barack Obama co-signed by Senate Indian Affairs Committee Chairman Byron Dorgan, Ranking Member Lisa Murkowski, and other Senators supportive of Indian Country both on and off the Committee. Both the NCAI plan, and the Senators' plan insist that the finally enacted economic recovery package must include provisions that specifically direct funds toward tribal governments' infrastructure and capital needs (not just those of state and local governments). Tribal governments, working together through the NCAI and other national native organizations have identified shovel-ready infrastructure projects that will create much-needed jobs on reservations. The NCAIED fully supports the NCAI plan that requests a total of $5.4 billion to stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. The NCAIED worked with the Native American Contractors Association (NACA), as well as with the NCAI, to develop joint NACA–NCAIED–NCAI economic stimulus recommendations that list the specific amounts that make up the total amount requested in the NCAI plan.

The NCAIED also urges that the recovery package contain the NCAI-recommended "Access to Capital" provisions, including authority for tribes to gain better access to loans, taxable bonds, and surety bonding through expanded loan guarantees. These authorities, also discussed in the joint recommendations, are essential to enable tribes and Native businesses to participate more fully in rebuilding our infrastructure and economy.

II. Increase Support for Native Business Development

It is particularly important that the economic recovery package includes provisions for Native American business development. Both the NCAI plan and the Senators' January 9 letter recommend substantial funding for Indian business development through a combination of increased authority for guarantee of loans, taxable bonds and surety bonds. The NCAIED supports these proposals. The Senators' January 9 letter also proposes a $2 million increase Community Development Financial Institutions (CDFIs) in Indian Country. This modest increase will help make more funding available in tribal communities for business startups, loans, etc.

In addition, the NCAIED strongly recommends funding one more essential program to spur business development in Native American and minority communities throughout the United States: the network of business development centers supported by the Minority Business Development Agency (MBDA) of the U.S. Department of Commerce. These centers include 8 Native American Business Enterprise Centers (NABECs) and nearly 30 Minority Business Enterprise Centers (MBECs) and Minority Business Opportunity Centers (MBOCs).

We note that the Reid-Byrd economic stimulus proposal of November, 2008 (S. 3604) provided additional funds for grants of $200,000 to certain veterans resource centers. Similar provisions should be included in your economic stimulus package to augment funding for MBDA to make additional grants of $100,000–$200,000 to each of its existing NABECs, MBECs and MBOCs to help them assist struggling businesses owned by Indian tribes and native and minority business entrepreneurs to access small business loans, stimulus-related contracting, surety bonding, and other business assistance. Depending on the level of funding for additional grants, the total amount would be only $3.5 to $7 million and would have incredible business generation and job creation effects (as reflected in the impact figures listed on page one of this statement) in communities suffering the highest poverty and unemployment rates in the country.

III. Enhance Tools to Expedite Stimulus Project Completion

The NACA–NCAIED–NCAI recommendations look beyond the funding issues toward mechanisms to enhance the ability of Native American businesses to participate in economic recovery infrastructure projects once they are funded. To achieve the desired stimulus effect, federal, state, municipal and tribal governments will need to initiate and complete these projects in short time-frames and will likely rely on contractors to do some of the work. Our recommendations will facilitate this process by: (1) expanding opportunities to use the Buy Indian Act at the Department of Interior and Department of Health and Human Services; (2) enhancing the ability of small businesses to form a team to combine capabilities to compete more effectively for infrastructure and other stimulus-related construction work; and (3) providing better access to financing for tribal- and individual Native-owned businesses pursuing work on economic recovery-related projects.

Conclusion

The U.S. constitution recognizes the distinct nature of tribal governmental political structures. The Federal Government has created distinct economic funding streams for tribal governments separate from those in place for state governments, and Indian preferences in contracting and employment when federal funds are appropriated for the benefit of tribes and their members. Accordingly, the NCAIED urges the Congress and the new Obama Administration to honor this unique relationship between Native Americans and the Federal Government and include tribes and Native business development in meaningful and appropriate provisions of any economic stimulus package, as well as Fiscal Year 2010 appropriations, prior to final enactment.

PREPARED STATEMENT OF THE NATIONAL COUNCIL OF URBAN INDIAN HEALTH

Economic Stimulus

UIHP Infrastructure Projects: The National Council of Urban Indian Health has identified five "ready to build" infrastructure projects. Details of these projects can be found in the appendixes. These projects are facilities construction projects designed to accommodate increased patient load and services. All of these projects are construction ready with finalized, or near to finalized, architectural plans and appropriate permits. These projects were stalled due to the economic crisis and failure to secure additional lines of necessary credit.

The Urban Indian Health Program does not currently receive facilities construction funds from the Indian Health Service however Title V of the IHCIA will allow for the distribution and management of these types of funds. Typically, for an Urban Indian clinic or program to build new facilities or implement large scale renovation projects the individual clinic or program must find additional funding streams to bankroll that project. The credit crisis has placed substantial burdens upon nonprofit clinics and programs to finance facilities construction and renovation at a time when these facilities are most needed. Moreover, because the UIHP does not receive facilities construction funds from IHS many of these projects have been substantially delayed. These projects will allow the programs to provide more efficient services as well as expanded services to meet the needs of the patient population.

The additional services that could be provided upon the completion of these infrastructure projects include expanded preventative health care, dental services, social services, and primary care. These are services not easily accessed by the American Indian and Alaska Native community. If the Urban Indian health clinics and programs are unable to provide these services often patients chose to go without necessary care. Numerous studies have demonstrated that when patients delay seeking care the cost of treatment increases exponentially for everyday care is delayed, especially for conditions such as heart disease and cardiovascular disease. Increasing the Urban Indian Health Program's ability to provide services and accept additional patients will relieve pressure from other parts of the I/T/U system and thus reduce costs to the entire system.

Total Cost: $19,650,000
Additional Patients served: 43,942
New Jobs: Uncalculated, detail is provided in projects summaries attached.

Recommendations:

- Inclusion of the “ready-to-build” infrastructure projects identified by NCUIH in the infrastructure section of any economic stimulus package.

Appendixes:

A. UIHP 12 Month Infrastructure Summaries
B. UIHP 24 Month Infrastructure Summaries

APPENDIX A—URBAN INDIAN HEALTH PROGRAMS—12-MONTH INFRASTRUCTURE PROJECTS

Hunter Health Clinic, Wichita, KS
Request: New Facility Build (Health Clinic)
Cost: $7,600,000
Jobs: 100
Description: Hunter Health Clinic needs an updated and larger facility to provide culturally competent and comprehensive health services to the potential 9,000 American Indians living in the Wichita metro area. Currently, Hunter Health Clinic is housed in an 80-year-old building that does not support the technology needs for electronic records. Hunter Health Clinic provides services to 20,000 patients a year and this expansion will allow for 5,000 more patients to be served in the first year with continued capacity expansion in subsequent years. Everything is ready to begin on this project including rezoning, architectural engineering, design, contractor, and preconstruction phase.

Indian Health Care Resource Center of Tulsa, Inc, Tulsa, OK (Note: 12 to 16 months)
Request: Facility Expansion (Health Clinic)
Cost: $8,600,000
Jobs: 125 construction, 25 additional clinic staff
Description: Indian Health Care Resource Center of Tulsa needs to expand the size of the current facility to increase capacity of services for medical and behavioral health, as well as, to create a permanent home for the health and wellness and substance abuse treatment programs. This project also includes construction of a drive through pharmacy, implementation of an electronic health records system (EHR), and upgrade to digital radiology. The clinic currently serves the 3rd largest urban Indian center in the country and this expansion is expected to increase capacity to serve American Indian in the Tulsa area by 220% (26,973 current visits to 59,341 with expansion). It is expected that the New Construction debt Services will by $755,000 per year for 15 years. If Indian Health Care Resource Center did not have to borrow the money to meet the need of the growing population, there would be $11,325,000 more dollars to provide direct health care services over the 15 year period. Currently, the clinic has completed all of the engineering and construction drawings and is ready to break ground on the project.

South Dakota Urban Indian Health, Sioux Falls, SD
Request: New facility (Health Clinic)
Cost: $300,000
Jobs:
Description: The South Dakota Urban Indian Health Clinic needs to build a new facility to expand services and capacity to serve the potential 8,000 American Indians living in the Sioux Falls metro area. Currently, the clinic is housed in a very small 2-exam room facility with no patient parking and wiring that cannot appropriately handle the electronic system infrastructure needs. The new facility would triple the number of patient’s the clinic can serve, from 1,203 unduplicated users last year to 3,609 users with the new facility. Currently, the South Dakota Urban Indian Health Clinic has the space identified, and are working with the architect to finalize plans.

Native American Rehabilitation Association Northwest, Inc., Portland, OR
Request: Facility Remodel and Energy Efficient (Residential Treatment)
Cost: $2,000,000
Jobs:
Description: The Native American Rehabilitation Association Northwest (NARA) needs to update the 50-year-old Substance Abuse Residential Treatment facility. Currently, NARA has 62 beds and provides culturally competent substance abuse treatment American Indians. This project would provide space for 10 new patients per day for a total of 3,650 additional patient bed days per year. The project would expand and remodel the building and include much needed energy efficient modifications including heating and cooling system, biodegradable septic system, solar

power, and energy efficient lighting. NARA owns the property; plans have been completed, and are awaiting implementation.

Native American Rehabilitation Association Northwest, Inc., Portland, OR
Request: Facility Conversion/Remodel and Energy Efficient (Outpatient Treatment)
Cost: $750,000
Jobs:
Description: The Native American Rehabilitation Association Northwest (NARA) needs to remodel the old outpatient services facility and convert to a transitional housing program for men. There are very few places for men to live in a clean and sober environment upon leaving residential facilities and this problem is even greater for Native men. This project will allow for supportive housing to approximately 18 men per year transitioning from residential Alcohol and Drug facility. NARA owns the property, plans are in place for the remodel, and are ready to begin construction.

APPENDIX B—URBAN INDIAN HEALTH PROGRAMS—24-MONTH INFRASTRUCTURE PROJECTS

South Dakota Urban Indian Health, Sioux Falls, SD
Request: Facility Remodel (Treatment and Support for Release Inmates)
Cost: $400,000
Jobs:
Description: The South Dakota Urban Indian Health Clinic needs a facility to provide a new service to approximately 400–500 American Indian individuals who are released from the State Women's Prison and the State Penitentiary, both of which are located within the clinic's service area. Unfortunately the number of American Indians in Prison in South Dakota is extremely high. In 2000, American Indians represented 8.6% of the general population, but 22% of South Dakota's prisons according to the state Department of Corrections. This project would allow the South Dakota Urban Indian health Clinic to provide much needed behavioral health and transition services for these released prisoners. The Medical Director at the clinic is also the State Penitentiary physician and planning has already begun to develop a Community Recovery based program. The impact of this project will result in lowering cost of incarceration (due to recidivism) and developing productive community members to contribute to society. Currently, the clinic has identified the space and architectural plans complete.

PREPARED STATEMENT OF RODNEY M. BORDEAUX, PRESIDENT, ROSEBUD SIOUX TRIBE

Introduction

On behalf of the Rosebud Sioux Tribe ("Rosebud") in South Dakota, I appreciate this opportunity to bring to your attention the overwhelming economic stimulus and infrastructure needs on the Rosebud Sioux Tribe Reservation, which is located in south-central South Dakota and has twenty communities that encompass a four-county area. The 877,831-acre Rosebud Reservation borders Pine Ridge at its northwest corner and Nebraska at the south and has its tribal headquarters in Rosebud, SD. The Rosebud Reservation is home to approximately 19,000 of the approximately 26,000 members of the Rosebud Sioux Tribe.

Rosebud has considerable economic development and infrastructure needs in relation to Rosebud's vast natural resources on our Reservation and to our Tribal members. According to the Bureau of Indian Affairs 2005 Labor Report ("Report"), Rosebud has an 83 percent unemployment rate. The Report further states that we have approximately 14,428 tribal members available for work. Rosebud is located in a rural, remote area of Indian Country and has one of the most depressed economies in the nation.

We understand Congress' desire to quickly provide state and local governments with an infusion of funds for infrastructure projects, and we respectfully request that you work to ensure that Native American Tribal governments are also considered as potential recipients of funding through the proposed second economic stimulus as the bill moves through Congress. Like state and local governments, Tribal governments provide essential governmental services to our citizens and neighbors and are similarly in dire need of basic infrastructure needs.

We have identified the following areas of priority for economic stimulus needs for Rosebud:

- Indian Reservation Roads—$14.2 million;

- Tribal Land Enterprise—$9.2 million;
- Rosebud Economic Development Corporation—$7.5 million;
- Sicangu Nation Employment and Training Program—$489,000;
- Rosebud Lagoon—$2.6 million;
- Sewer Replacement and Infrastructure at Rosebud—$1.3 million;
- Rosebud Airport—$9.6 million;
- Rosebud Green Energy—$1 million;
- Rosebud Home Manufacturing Facility—$2 million;
- Rosebud Jail Facility Upgrades—$3 million;
- St. Francis Indian School Construction—$9.84 million.

Indian Reservation Roads

At Rosebud, we have identified the following five Indian Reservation Roads projects that the Tribe is capable of moving on as soon as possible, and these projects are currently on the Indian Reservation Roads Program Federal Lands Highway CSTIP Report.

- Rosebud Old Town Streets—Phase I, which includes water, sewer, and street reconstruction, with an estimated cost of $901,500;
- Rosebud Old Town Streets—Phase II, which includes water, sewer, and street reconstruction, with an estimated cost of $884,000;
- Rosebud to 6 Mile Center, which includes reconstruction of six miles of Bureau of Indian Affairs (BIA) which includes widening, slope flattening and asphalt paving, with an estimated cost of $11.9 million;
- Two Strike Lighting, which includes street lighting for safety reasons, estimated cost of $129,500; and
- Swift Bear Streets, which includes upgrades and reconstruction, with an estimated cost of $400,000.

Tribal Land Enterprise

The Indian Land Consolidation Program (ILCP) has purchased $19.3 million dollars of fractionated interests on Rosebud equivalent to 144,258.56 acres. The Tribe submitted a proposal to the BIA for the return of these ILCP purchased tracts of land to the Tribe with the forgiveness of the lien and the return of the lease income for Tribal management through the Tribal Land Enterprise (TLE) program. The Tribe through TLE could eliminate the administrative cost to the federal government with a policy approval of the Tribe's proposal and create a sound, cost savings business transaction for both the Tribe and the federal government. There is currently $982,508.13 dollars of lease income generated from these ILCP purchased lands that the ILCP program is going to purchase more fractionated interests with and generate more debt in the name of the Rosebud Sioux Tribe. If these funds were available to the Tribe to target priority purchases of fractionated interests, the successful TLE program could reduce the fractionation problem on Rosebud with greater targeted success and management of all the lands of our Tribe.

In addition, the Tribe has several Indian Land Consolidation Loans with the Farm Service Agency of the U.S. Department of Agriculture. We borrowed $8.5 million dollars to purchase fractionated interests with eight loans. After the annual payment just made by the Tribe through TLE, the debt is currently $2.8 million. We have been diligent in the annual payments on this debt in that over the years of these 20 year notes, and paid the federal government over $12 million dollars in interest alone.

The Tribe is seeking the return of the interest paid to the federal government, minus the $2.8 million still owed on the loans or the forgiveness of this debt as a reward for the success as a lending client and the management resolution that TLE has proven. The return of the interest to the Tribe would allow us to resolve the fractionated interest problem on Rosebud in less than the 20 years predicted by the BIA and the ILCP program and without the estimated $22 million dollars of federal appropriations that this would require.

Rosebud Economic Development Corporation

The Tribe is currently addressing economic development and has secured funding for two major endeavors to bring much needed employment opportunities for our Tribal members. However, we still lack funding for the required infrastructure and greatly need assistance in this area. First, the development of the infrastructure of the Turtle Creek Crossing Grocery Store will allow for the paving, sidewalks, lighting, water and sewer and other activities to be completed so that other business, including small entrepreneurs, are able to develop in this shopping center. We request $4.7 million in funding for the Turtle Creek Crossing Grocery Store.

The second project is the Lakota Water Bottling Plant, which will capitalize on our water resources for the Tribe to create approximately 50 job opportunities for our Tribal members. The bottling plant will be built on our tribal lands on acreage where there is currently no infrastructure. We request $2.8 million in funding for the Lakota Water Bottling Plant.

Sicangu Nation Employment and Training Program (SNETP)

The Tribe requests increased funding for our SNETP's youth employment program the purpose of which is to provide for more youth employment opportunities. Youth suicide on the Reservation is a major crisis and is the highest in the country. Rosebud has had 32 youth suicide completions in the last three years. According to the Indian Health Service the Rosebud Sioux Indian Reservation has the highest suicide rate in the world for 10–24 year old males. This past year SNETP received approximately 689 summer youth applications. However, we were able to serve only approximately 200 youth during the summer. Rosebud requests $489,000 for the SNETP's youth employment program. Funding for this program would have a major, positive impact on our Tribal youth, especially with the high number of suicides that our community has experienced in the past two years, and provide for additional resources for the youths we were unable to serve and keep our youth occupied by providing more services in the form of employment, incentives for accomplishments, and supportive services in their endeavors to overcome barriers.

Rosebud Lagoon Project

The Tribe is requesting funding for our Rosebud Lagoon Project. The total cost of the project is $4,652,180.62. Currently, we have $2,100,000 committed ($1 million from the Indian Health Service and $1.5 million from Indian Community Development Block Grant) towards the project, leaving a requested funding of $2,552,180.62. This will offset loans and other tribal commitments to fund the entire project. This project is a priority as in order for our new airport to be completed a current lagoon has to be closed and relocated. This lagoon will serve the entire community of Rosebud, our tribal headquarters, as well as our hospital.

Rosebud Sewer Replacement

The Rosebud Sewer Replacement request is $1 million to replace the old sewer pipe. In addition, $300,000 is needed to replace the old sewer pipes in the community of St. Francis located on the Rosebud Reservation.

Rosebud Airport

This project is contingent upon Rosebud moving forward on the Rosebud Lagoon. A request of $9.6 million will cover the entire cost of construction of our new airport. The Tribe's cost-share is 3 percent of the total project, which is approximately $290,000. The Federal Aviation Administration (FAA) through its Airport District Offices (ADO) has requested a list of airport projects that can start construction within 120 days of funding becoming available. The Bismark ADO has placed Rosebud's airport project on its list for the economic stimulus funding.

Rosebud Green Energy

Rosebud also urges you to support provisions in the proposed economic stimulus bill that will promote sustainable energy technologies and create "green jobs." More specifically, funding should be targeted at the energy efficient and renewable energy projects that can be brought online quickly, will maximize job creation, will curb greenhouse gases and energy imports, and have the least adverse social and environmental impacts.

At Rosebud, we have two green energy projects we are currently working to develop. First, the Owl Feather Warbonnet Wind Farm, which is a 30 megawatt farm near one of our communities, St. Francis, is ready for construction. We also need to finalize the negotiations with the Nebraska Public Power District so we can sell power to them once the wind farm is operating. This project can be started immediately and completed in the next two years.

In addition, the Rosebud Tribal Council approved on December 16, 2008, a Memorandum of Understanding with Citizen Enterprises Corporation in Boston, Massachusetts, for the feasibility of developing a 200 megawatt wind farm near Mission, South Dakota, in the next five years.

Rosebud strongly supports "shovel-ready" projects that can be developed in the very near term, preferably within 6–24 months, either to reduce wasteful energy use or to produce renewable energy as well as create jobs. Longer-term investments in sustainable energy research and development merit federal support, but should be addressed in the regular annual appropriations bills rather than in the economic stimulus legislation. Nuclear power and fossil fuel technologies should not be included among those supported by the proposed economic stimulus. These technologies cannot be brought online quickly, entail unacceptable environmental hazards, and produce far fewer jobs per dollar invested.

The most attractive investments in terms of cost-effectiveness, job creation, carbon-reduction, and timeframe may well be those designed to reduce energy use in residential, commercial, public, and other buildings. Accordingly, a high priority should be funding aimed at the permanent weatherization of older buildings and the replacement of energy-inefficient lighting, appliances, and HVAC systems. In addition, investments in advanced meter and demand-response programs are warranted.

Rosebud strongly supports the investment in renewable energy projects that provide for a broad range of technologies, such as wind, water, solar, geothermal, and biomass/biofuels, with funding directed at smaller, distributed, and off-grid systems as well as larger, grid-connected, central station projects. Investments to upgrade existing transmission systems or create new "intelligent" ones to bring renewable electricity from remote locations to urban areas may also be justified. However, priority should be given to those projects and technologies that can be brought online most quickly, have the lowest environmental or social impacts, create the largest number of jobs, are most cost-effective, and produce the most energy.

Rosebud Home Manufacturing Facility

Rosebud is developing a small business development office, the Rosebud Housing and Workforce Development Initiative, to provide affordable, durable housing and economic development for Tribal members. The Rosebud Housing and Workforce Development Initiative would strengthen Rosebud's workforce and its community through providing affordable housing solutions while also incorporating "green energy" construction and energy efficient materials. The small business development office would provide approximately 25 administrative job opportunities and 50–75 construction/manufacturing job opportunities for Tribal members and construct 60 quality homes annually. In addition, the current high housing costs increases the cost of doing business, and the initiative would provide affordable housing—also quality and durable—to Tribal members. Rosebud seeks $2 million for small business assistance to develop the Rosebud Housing and Workforce Development Initiative, to provide proper training to the employees, to operate the office and construct the housing units, and business assistance to develop the office and provide for necessary technology and equipment. Currently, Rosebud Sioux Tribe has a critical and urgent need to provide housing and workforce development initiatives for our Tribal members.

Rosebud Jail Facility Upgrades

Currently, the adult jail at Rosebud does not have adequate space for the service population. The jail itself has consistent water leaks, and the air conditioning system fails every summer. There is also no space for rehabilitation services for inmates such as a library for General Education Development (GED), or higher education services that studies have shown to be effective ways to keep inmates out of jail once they are released. Obtaining funding for a jail facility for Rosebud would provide for much needed facility upgrades at the detention center, as well as, expand the facility to provide for adequate space for rehabilitation services. Rosebud requests $3 million for jail facility upgrades.

St. Francis Indian School Construction

Rosebud's St. Francis Indian School located on our Reservation is in-need of funding to address the major items that were taken off the original construction of the high school several years ago. In February 2000, the St. Francis Indian School was given notice by the Bureau of Indian Affairs (BIA) that the school ranked 14th on the list for replacement school construction projects. In December 2006, the BIA then determined that the projected replacement school construction cost for the St. Francis Indian School would be $14.1 million. In 2006, an additional $6.3 million was desperately needed to complete the project, which was due to project delays (including three re-designs), other requirements and inflation costs from the last four years have forced the school to make major cuts. Therefore, Rosebud is requesting $9,836,655.14 to complete the construction, which factors in the inflationary costs (30 percent per year the past two years) that have heavily affected moving forward on our project.

Conclusion

Indian Country would greatly benefit from the investment in infrastructure and emphasis on job creation, as outlined for the proposed economic stimulus. With an unemployment rate of 83 percent and a demonstrated need for basic infrastructure, the proposed economic stimulus provides a major opportunity for improving the current conditions at Rosebud. It is time for federal government to invest in Indian Country and meet its statutory and moral obligations owed to Tribes. The United States has a trust responsibility to the Tribe, our citizens and our trust resources. We hope that you will work to ensure that Native American Tribal governments are included as governmental recipients of funds, along with state and local governments, for basic infrastructure work in the second economic stimulus.

Again, thank you for holding this very important hearing for Indian Country and for the opportunity to express our views and concerns as you move forward with the economic stimulus legislation.

PREPARED STATEMENT OF THE TURTLE MOUNTAIN BAND OF CHIPPEWA INDIANS

Introduction

The Turtle Mountain Band of Chippewa Indians resides on the Turtle Mountain Indian Reservation located in north central North Dakota. The Reservation is on a six mile by twelve-mile land base and is considered one of the most densely populated Reservations, per square mile, in the United States. The Tribe's enrollment is approximately 30,500 members, of which it is estimated that 16,500 live on-or-near the Reservation. Tribal data reports that 50 percent of the Reservation population is under the age of 21 years, the population increased 20 percent from over the past 10 years and there are over 600 families on the waiting list for tribal housing, many of who have been waiting for more than 10 years.

> The economic data indicate a per capita income on the Reservation as documented in the 2000 Census is at $9,017. Based on our BIA Labor Force Report, the unemployment rate among the Tribe's service population is at 66 percent. With the high unemployment rate, a high need at Turtle Mountain is bringing in a variety of jobs that can fit its diverse labor force.

It is the lack of employment opportunities and a dire economy that has led to a large number of children living in poverty or near-poverty conditions in Rolette County. As stated in *2005 Kids Count North Dakota,* 39.93 percent of Rolette County children live in single parent families, and 39.48 percent of children in Rolette County are living in poverty. 20.96 percent of the children in Rolette County are living in extreme poverty. There is no question that facing the hardship of poverty affect a child's academic performance, self-esteem, and behavior.

Additional indicators regarding the socioeconomic conditions of Rolette County reveal that 40.29 percent of persons under the age of 21 receive both AFDC/TANF and Medicaid, compared to the state percentage of 6.60 percent; 60.78 percent of Rolette County children reside in households that receive food stamps, which is more than three times the state rate of 19.92 percent; 8.66 of students in grades 9–12 (exclusive of the Reservation) and 38 percent of Reservation-based students have dropped out of school, which is astronomical when compared to the state rate of 1.96 percent. Out-of-wedlock births of teens ages 13–19 is 22.22 percent, a staggering rate when compared to almost every other county in North Dakota and to the state rate of 6.66 percent. According to the 2000 Census, over 40 percent of Tribal families were living below the poverty level, and 882 households were headed by single mothers struggling to raise some 1,392 children under the age of 18.

Rolette County has more than twice as many children under the age of 12 pass through the juvenile court system than any other jurisdiction of the Northeast Juvenile Courts and more than three times as many children ages 13–18 pass through the juvenile court system. North Dakota Attorney General's Office reveals that American Indian children represent 7 percent of all children in North Dakota, but represent 30 percent of the children in juvenile detention and 38 percent of the admissions to the North Dakota Youth Correctional Center.

In 2007, Law Enforcement answered over 10,000 incidents calls. Turtle Mountain Tribal Court heard over 4.000 cases including adults and juveniles.

Current Economic Change

The global recession, which was helped brought about by the mortgage crisis which, in turn, was brought about by over-inflated home prices, and approval of questionable loans to persons, who could not afford them, coupled now with the persistent worry of the long term effects of a tax-payer bailout, has created an economy that has constricted more now than in the last 26 years. There has been unprecedented job loss, a credit crunch making borrowing difficult, lack of consumer confidence and spending, and spiraling unemployment numbers that has put the Nation, Region, State, County and the Turtle Mountain Tribe and its Tribal Members at-risk. Except for minimum-wage increases, average employee paychecks increases have not even kept up to inflation. Last year, the prices on consumer goods seem to rise as the gasoline prices rose making even most common groceries such as milk and butter almost too expensive to buy. The ever-rampant greed of Wall Street, whose whims caused the stock market to decline on speculation on whatever was happening in the Middle East, even got into the every day worker's retirement savings and the average diversified 401 K portfolio lost an average of 40 percent of its worth. Americans are losing their jobs, homes and health coverage everyday. If this scenario looks bad for the average American, it should be seen through the eyes of the Native American Indian, who has spend a lifetime living with continuous recession/depression cycles of Reservation life.

Turtle Mountain Band of Chippewa Indians has long suffered from severe poverty and accompanying social distress as measured by indices of income, unemployment, housing conditions, family composition, and education. These factors are aggravated by a lack of legal, financial, and organizational infrastructure. In recent years, the local economy has been weakened further by reduction of jobs at the two major tribal economic engines, namely Turtle Mountain Manufacturing Company (TMMC), and Uniband, Inc. (a data-processing company), due to the loss of 8(a) Status from the Small Business Administration that aided the Tribal Entities in the bidding process. The loss of 8(a) Status has culminated in a loss of contracts for both companies. The recent credit crunch could have an impact for the Tribe on financing for bigger projects, joint ventures, and equipment upgrades and improvements for Tribal Enterprises.

President Obama's Economic Stimulus/Recovery Package will have the three-fold benefit of improving Reservation infrastructure, putting tribal members to work as a means to stimulate the tribal economy, and putting measures in place that buttress the economic climate such as providing for capitalization and access to revolving loans and alternative credit with the establishment of increased capitalization of Community Development Financial Institutions (CDFI) funds. The Tribe is also hopeful that there would be consideration on the creation of tribal guaranteed bond and surety bond programs in the BIA's Loan Guarantee Program that would truly help the Turtle Mountain Band of Chippewa Indians in its participation of economic recovery by helping address financial, business, and unemployment needs in our community.

Vision

The Turtle Mountain Band of Chippewa Governing Body envision the people of the Turtle Mountain Indian Reservation having an opportunity to contribute to their fullest potential in creating an economy that advances their well-being and that of future generations.

All citizens, including tribal, depend upon an economy that meets their basic needs, enables them to be self-sufficient, supports employee commitment to family and permits choice in work opportunities.

The focus and strength of the Tribe is its people; they are their own greatest resource. The opportunity inherent to the tribal members lies within the Tribe's understanding and knowledge of their history, tradition, values and language. Long-term sustainability of the Tribe is embedded in the people's ability to articulate whom they are, where they are from and their collective hope for the future.

Over numerous years, federal agencies have developed a variety of inter and intra agency programs designed to increase the level of economic development services of American Indians. The Turtle Mountain Band of Chippewa Indians participated in those programs identifying and building upon their assets and resources, it has a history and commitment to planning for its future. It continues to implement the planning and goals from its 1972 Comprehensive Economic Development Plan, as many are relevant today.

> The most significant things that can be done to improve economic conditions on the Turtle Mountain Reservation is to provide or create more real and permanent good-paying jobs locally, related especially to the skills and capability of the men (and women) who live here. These jobs should include creation or expansion of small industries and businesses, particularly in the manufacturing and retail trade sectors. Local educational efforts should focus on career education. Local attempts at economic development should be cooperative and unified effort coordinated by the tribal government to provide support and, if necessary, subsidy to establishment of firms who might locate here. (1972)

Funding for Tribal Infrastructure needs will help strengthen the development process that addresses needs and helps fulfill the potential of local people and the communities where they live.

The Challenge: Advancing Economic and Social Parity among the Turtle Mountain Band of Chippewa through the American Recovery and Reinvestment Plan

Proposal:

The Turtle Mountain Band of Chippewa Indians specific proposals for the American Recovery and Reinvestment Plan follow. Each of these projects is critical for economic recovery of the Tribe and can be phase-constructed in two years. The priorities and cost estimates are provided below:

Priority		Amount
1	Health Care	$18,000,000.00
2	Housing	$50,000,000.00
3	Water & Sewer	$12,097,000.00
4	Economic Development/Employment	$12,000,000.00
5	Nursing Home/Dialysis Center	$8,000,000.00
6	Airport Renovation	$5,000,000.00
7	Juvenile Detention	$8,756,000.00
8	CDFI Capitalization	$1,000,000.00
9	Tribal Utility/Wind Energy	$5,000,000.00
10	Roads	$6,200,000.00
11	Tribal Headquarters	$5,000,000.00
12	Educational Scholarships	$500,000.00
13	Law Enforcement	$5,000,000.00
14	EPA/Solid Waste	$10,000,000.00
15	Fire Hall	$1,372,000.00
16	Turtle Mountain Community College	$1,075,000.00
17	Land Consolidation	$1,000,000.00
Total		$150,000,000.00

Priority 1—Health Care—$18,000,000

The Quentin N. Burdick Healthcare Facility, in coordination with Turtle Mt. Band of Chippewa Indians Comprehensive Health Care Services Program (Public Law 93–638 as amended) collaborates to provide health care services for the Turtle Mountain population. The Burdick Health Care facility addresses the holistic health needs of the Band and that service unit area inclusive of Rolette County. The facility houses an Emergency Room, Ambulatory Clinic, Inpatient Care Unit, Dental services, an Eye Glass Program, and Mental Health Program. There is currently 239 staff persons, 13,500 active charts, 25,990 registered patients and a total of 106,498 patient encounters (ambulatory visits). The decrease in ambulatory care visits in the subsequent three years is directly related to the loss/lack of medical providers at the facility.

- Facility is operating at 68 percent of budget. Need to increase funding by 32 percent to provide adequate healthcare.
- Facility lacks medical doctors as well as a surgeon to meet health care needs of the Tribal population.
- Need dental operating funds to adequately serve the Turtle Mountain population.

Priority 2—Housing—$50,000,000

There is a need for 1,000 new houses for the tribal membership. Without rental subsidies from HUD, there are no rental units being built. There is also severe overcrowding with several generations or relatives living in the same abode. In this stimulus request, the Turtle Mountain Tribe is requesting at least 40 units @ $125,000 per unit, which includes water& sewer, electrical requirements, site development and preparation and drainage field.

Priority 3—Water and Sewer—$12,097,000

The Turtle Mountain Band of Chippewa Indians continues to struggle with meeting the water and waste water demands for an ever growing tribal population. The state of the Tribe's infrastructure is in dire need of funding to adequately continue those services that provide and secure a safe and healthy environment for all. The monies requested will be spent the following ways: Corridor 2—Highway 43 Corridor is an area where the people and homes are not yet provided with potable water. We have estimated a need in the amount of $9.7 million to ensure adequate infrastructure to supply potable water to this area. The TMBCI is in dire need of funding for waste water improvements. Currently, the Tribe relies on two methods of treatment for waste water; conventional septic tank systems and tertiary lagoon systems. We are finding evidence that the conventional treatments are not working and is jeopardizing the environment and waters that dot the landscape of out homelands. The existing lagoon systems or cells will require additional linings to ensure that all waste water in the cells is not susceptible to leaking. Therefore, we are projecting $2,397,000 in funding for this waste water and environmental problem.

Priority 4—Economic Development/Employment—$12,000,000

Job Creation: The Tribe needs assistance in bringing jobs to the Reservation that pays a living wage. The Tribe needs outside investment to help bolster the tribal economy and business infrastructure. The Tribe needs access to loans for business start-ups and expansion. The Tribe needs potential partners for joint ventures to share business development costs to help stimulate the Reservation economy. The Tribe needs assistance with entrepreneurial needs such as a business incubator facility, development of business education program for potential entrepreneurs, and more capitalization programs for Tribal Members. The Tribe is requesting $2.0 million for a business incubator facility; $5.0 million for contract start-up costs and equipment upgrades for the Turtle Mountain Manufacturing Company; a $3.0 million line of credit for Uniband, Inc., and there is a $2.0 million need to build roads, water and sewer, and electricity to develop a new Industrial Park.

Revitalization of Tribal Economic Engines: The Tribe needs assistance in Pathways to Prosperity's strategy to revitalize tribal enterprises such as Uniband, Inc and Turtle Mountain Manufacturing Company to identify specific factors currently limiting each enterprise's economic performance in terms of profitability and employment trends. Analysis of each industry has to be done to see where the flaws are and find solutions for the shortcomings. The skills needed to turn the corner to profitability need to be determined and training requirements have to be met. Help in marketing is greatly needed. Heavy debt loads and cash-flow shortages prohibits expansion and/or process improvements. The debt of these enterprises has to be restructured to provide adequate cash-flow to meet start-up costs for contracts, and help pay for equipment improvement and new equipment purchase. Low-interest loans to help with all the above need to found to make the companies, once again viable and sustained. Partners with technical expertise, industry contacts, and investment dollars are needed for the fulfillment of potential contracts to help make these economic engines regain their successful past.

Priority 5—Nursing Home/Dialysis Center—$8,000,000

The Tribe is looking at the Economic Stimulus for funding support for Nursing Home/Dialysis Center. It will be a 65-bed facility and is shovel ready with architectural design and site selection. The current dialysis center is a dilapidated building located in a flood zone. There are not enough stations to provide adequate dialysis services to the high amount of diabetic patients on the Reservation.

Priority 6—Airport Renovation—$5,000,000

The upgrade of this airport will greatly enhance the economic opportunities of the Tribe by extending the runway and widening and overlaying, lights and rotating beacon and GPS approach, installing a security fence, fuel supply system, purchasing a fire truck, fuel trucks, APU, tug, lift baggage hauling equipment, and snow removal equipment, and construct a hanger with terminal and office space.

There is an air carrier interested in using this airport for scheduled service to Denver, CO and also to Minneapolis, MN. The airport will be used for fixed wing air ambulance, which will save the Indian Health Service millions of dollars as patients are flown out by helicopter almost daily.

The Tribe and Tribal Organizations such as the Housing Authority, Casino, School system, College will benefit from this because they will not have to drive two hours to get to an airport. The Rolette airport is only 10 minutes from the Turtle Mountain Reservation. The Tribe will also save on travel dollars by not having to pay mileage, travel time to employees, parking fees, hotel cost for people leaving early in the morning out of Minot, ND.

This project is in a HUD Renewal Community

Priority 7—Juvenile Detention—$8,756,000

The Tribe has received its second planning from Correction Facilities on Tribal Land. Once we update the last application and incorporate the design, the Tribe will be eligible to apply for a construction grant. Given the statistics mentioned in this address, the need is unquestionable but the Tribe is unsure that the construction grant will be approved therefore the Tribe is requesting $8,756,000 to construct a 48 bed @600 GSF per Occupant Juvenile Detention Center and construction costs include Site Development, Furnishing, Equipment, A/E Fees, TERO Fees, and a Contingency Fund.

Priority 8—CDFI Capitalization—$1,000,000

The Affordable Housing Program, Renewal Community, and Pathways to Prosperity (P2P) have collaborated to form a CDFI program on the Reservation to provide alternative financing that utilizes a Revolving Loan Program for Business and another for assistance on Home Mortgages. These two Revolving Loan Programs are in need of further capitalization to meet the needs of business owners, potential entrepreneurs, and future and present homeowners of the Tribe.

Priority 9—Tribal Utility/Wind Energy—$5,000,000

Renewable Energy Development: Providing clean renewable energy development and green economies in Native Communities should be a top priority in the new administration energy policies and decisions. This would reverse the trend from exploitation and allow for active participation by Tribes in utilizing their own natural resources for their good. Federal support must be given for tribes to own and operate renewable electricity generating infrastructure, and would provide the dual benefits of green economic development and low carbon power where it is need most. Efficiency programs to reduce the consumption of fuels for heating and cooling and created local jobs weatherizing will help tribes reduce the tremendous amount of money that leaves tribal communities by having to import energy.

The Tribe would welcome the assistance from the new administration for help in its own renewable energy development in such initiatives as wind, solar, biomass, and geothermal development on the Turtle Mountain Indian Reservation. The five million dollar request would include $200,000 for Energy Efficiency Audits for 4,000 homes @ $50.00 per home; $2,700,000 for home weatherization requirements; and $2,000,000 for strategic planning requirements, and studies and consultant assistance related to wind energy development.

Priority 10—Roads—$6,200,000

According to the most recent BIA Relative Need Distribution Report, the current construction backlog for the Indian Reservation Roads (IRR) Program is over $42 Billion nationally. As a modest effort to address this need and to provide economic stimulus locally, please support the following: $4,000,000 to the Turtle Mountain IRR Program to fund a four-mile construction-ready project. $1,000,000 to the Turtle Mountain BIA Road Maintenance Program to pay for much needed deferred maintenance projects to preserve the existing transportation infrastructure. $1,200,000 to pay for planned transit projects under the Tribal Transit Grant Program. Encourage the National Department of Transportation to revert back to previous funding formula, the new one is not working, as well, for Tribes.

Priority 11—Tribal Headquarters—$5,000,000

There is great need for a new tribal headquarters complex, the present one is too small for the 400-plus tribal workforce. The Tribal Headquarters floods every spring and is infested with hazardous mold. In December of 2007, a main water pipe burst and tribal employees could not work in that facility for an entire week. Will work with the USDA's Community Facilities on this matter, and will have to look for funding sources.

Priority 12—Educational Scholarships—$500,000

This program has experience extreme cuts and there is a need for more scholarship/educational assistance to be provided for students from the Turtle Mountain Reservation who attends college either locally or away.

Priority 13—Law Enforcement—$5,000,000

The Office of Law Enforcement Services (OLES) continues to be an expression of frustration and anxiety both on the part OLES and the general public. Many of the complaints relate to poor response time to an incident. Equally, Law Enforcement is continually hampered by lack of Police Officers to respond to an incident and is compelled to prioritize each incident. The budgets are insufficient. The Turtle Mountain Law Enforcement budget for FY 2007 was $1,700,159 and ended with a deficit of nearly $230,000. There is limited money for maintenance, gasoline, uniforms, vests, service revolvers and new vehicles. Tribal Officers, in the past, have been utilizing gasoline and maintenance money from the BIA and there is no longer any money for tribal officers and their vehicles. The $5,000,000 funding request will be utilized as follows: We are requesting a new Law Enforcement Facility with 45 units @ 450 GSF per Occupant and the cost includes Construction, Site Development, Furnishings, Equipment, A/E Fees, TERO Fees, and Contingency Fund at a cost of $4,617,400 and a Maintenance and Equipment Fund in the amount of $382,600.

Priority 14—EPA/Solid Waste—$10,000,000

Tire Recycling and Clean-up—The Tribe has had an accumulation of roughly 40,000 tons of used tires that it was going to use in the Tire Recycling Plant but the endeavor was shelved, and due to environmental rules and regulation, there is a need to dispose of the tires. The anticipated costs associated with the removal and disposal is $1,000,000. Transfer Station Program—The tribal solid waste disposal site for community members requires daily management and transfer of waste. Due to an accumulation of inert waste materials, there is a need for new construction of inert waste cells. The purchase of additional equipment and upgrades to the existing equipment is ongoing. The cost to upgrade and enhance the solid waste program would be $3,000,000. Recycling Program—There has been a need to establish a Reservation-wide recycling program for various waste materials and also transportation to a certified recycling center. The cost to establish the program will be $2,000,000, and there is a need to have 5 employees to maintain the program. San Haven Cleanup and Restoration—The Tribe has been in the process of redeveloping the area formally known as San Haven. Since the Tribe purchased the property, it has been vandalized and destroyed by unknown individuals and is also a safety hazard to the community. A teen has already been killed by falling down an elevator shaft at night. The Tribal EPA has conducted Phase I and Phase II site assessments to determine the amount of hazardous waste located in the existing facilities. We are now in the removal and disposal phase of the project. The project cost for cleanup and restoration is $5,000,000.

Priority 15—Fire Hall—$1,372,000

The Tribe is requesting a new 7,500 square ft. Fire Hall, and the request will include: Construction Costs, Site Development, Equipment, A/E fees, TERO fees, and Contingency Fund.

Priority 16—Turtle Mountain Community College—$1,075,000

The Turtle Mountain Community College does not have housing for their students and are in need of a dorm to accommodate the students attending TMCC and cost is $1,000,000. Paving costs for the dorm parking lot and additional parking is estimated at $75,000.

Priority 17—Land Consolidation—$1,000,000

The Turtle Mountain Tribe is requesting $1,000,000 to purchase fractionated individual trust property holdings of the allottees in order to consolidate the ownership of the allotments.

The Tribe realizes that it cannot be an isolated island, it must not stand apart but rather partner with local, state, federal entities in order to pool resources for the betterment of all. For example the Tribe has the skilled and educated tribal workforce, and the State and the surrounding communities have the where-with-all to bring projects into the Reservation or state that neither could do on their own. It is with that in mind and pooling of manpower, expertise and knowledge, financial and natural resources, and ability and willingness to work together in this global economic recession that will be the economic beacon that will allow our nations not only to survive but also to thrive in this the new road for the 21st century.

Community and a shared vision is exactly what is needed to survive the collapse of global economy as we know it. It is going to take strategic partnership to overcome the challenges ahead. Community is taken from two words and they are Common and Unity. If we have shared purpose, common goals, an a desire to work for the mutual benefit of our people, our state and our nation, then we will become one community, with all that entails, and become a united presence to tackle the tasks of this new economic landscape and together have the tools at hand, that will be needed to ensure the future of both of our cultures and the Great State of North Dakota and the United States of America, as well.

PREPARED STATEMENT OF CYNDI J. ALLEN-WEDDELL, VICE PRESIDENT, FLANDREAU SANTEE SIOUX TRIBE

Dear Senator Dorgan and Members of the Senate Indian Affairs Committee:

I hope this finds you in Good Health, I would like to submit this statement to the "Senate Indian Affairs Committee" concerning the subject of it's hearing on January 15, 2009.

On the Indian Reservations there are people without Heat, Electricity and even Food, the unemployment rates are 80–85%, the sub standard housing are in some cases beyond repair, due to the lack of funds to maintain them and in to many cases not enough houses for those that have no place to call home.

In South Dakota, Gaming is not the cure all, the Tribal Casinos have a limit of 250 machines and the Governor is unwilling to negotiate an increase in the amount of machines, citing the percent opposed to gaming verses the majority of 53–55% approving Gaming and limited Gaming as a State Policy, while at the same time allowing Deadwood to increase its machine limits and refusing the Tribes request' for an increase in machines during their Compact Negotiations.

A look at Gaming in Indian Country shows that Gaming has helped the Tribes in every respect and intent of the IGRA.

A solution to the Tribes Financial situations would be an increase in the amount of machines allowed at their casinos, revenues generated go directly to Social Services, Economic Development, (for those small Tribes) per capitas.

An increase in machines at Tribal Casinos means more jobs, more money into the local community, it means Heat, Electricity, Food for the Tribal Members, but there will not be more machines for the Tribes unless your Committee and the 111th Congress pass that legislation, allowing the Tribes to Negotiate Directly with the Secretary of Interior on their Gaming Compacts.

I want to Thank You for your assistance, understanding and Government to Government relationship with the Tribes.

PREPARED STATEMENT OF RYAN WILSON, PRESIDENT, NATIONAL ALLIANCE TO SAVE NATIVE LANGUAGES

Mr. Chairman and members of the Committee: I am Ryan Wilson, an enrolled member of the Oglala Sioux Tribe and President of the National Alliance to Save Native Languages. On behalf of the Alliance, I would like to thank you for the opportunity to submit written testimony to the Senate Committee on Indian Affairs on the importance of Indian economies, job creation, and the President Elect's "American Recovery and Reinvestment Plan." Specifically, I would like to address the importance of supporting Native language immersion schools and their facility needs.

About the National Alliance to Save Native Languages: The Alliance is the only national Indian organization dedicated exclusively to the recovery of Native languages. Founded in October of 2006, its creation was precipitated by broad concern across Indian Country that the rapid decline in Native language acquisition was hurting Native youth academically, culturally, socially, and physically. The Alliance is composed of a coalition of stakeholder tribes, schools, individuals, and regional and national Native American organizations that are determined to ensure that Native languages survive.

The Alliance works with tribal communities and state and federal governments to promote Native language immersion opportunities and remove barriers that prevent those opportunities. In working with tribal communities we have discovered that approximately 95% of Native youth today do not speak or understand their heritage languages.

Only 20 of the nearly 300 Native languages originally spoken in America are still spoken by Native youth today. We are in a race against time when it comes to saving these languages. Not only are they sacred and vital to Indian cultural survival, but they are part of the sacred heritage of America and vital to our national history. The Alliance believes this language loss can be reversed through long term engagement and investment in immersion schools. Safe and appropriate facilities are essential for the success of such schools.

Request for inclusion of Native American Immersion School Facilities in the Economic Stimulus Package. The Alliance requests that $5 million be added to the proposed $658 million for construction of tribal schools and colleges to pay for essential facilities improvements for immersion schools.

An infusion of $5 million will not only improve the learning environment for Indian children; it will create jobs in these rural tribal communities. A preliminary survey conducted by the Alliance indicates that at least 15 immersion schools are ready to work with contractors and vendors without any delays in the next 30 to 90 days to renovate their physical facilities.

Immersion School Profile. While there are over a 100 Native language programs throughout Indian Country, only 19 are full immersion schools serving grade school and middle school age Native children. (See the Appendix for a sampling of these schools and their specific needs.)

These schools are often chartered privately and are operated by tribes or non-profits. Several fall under the purview of public schools on Indian lands; one is a charter school; and one is funded by the Bureau of Indian Affairs.

These schools are located in older buildings, portables, churches, modulars, abandoned tribal offices, or older homes. One operates out of an old bowling ally and another out of a renovated garage. Many of these facilities are not up to code. But despite the inadequate facilities, they are meeting the extremely urgent need to educate Native American children in their Native language while the remaining elderly speakers can still pass their language on to them.

The Alliance and its partners recently conducted a facility survey of ten of these schools. We learned that these schools are experiencing the same, if not greater, facilities challenges as their BIA and state school counterparts. These challenges include lack of classroom space; poor heating and cooling systems; leaking roofs; rotting floors and ceilings; peeling paint; mold; inadequate kitchen and cafeteria facilities; water, sewer, electric, telephone, and technology line connection problems; and inadequate access roads, parking lots, side walks, landscaping, playgrounds, indoor/outdoor gyms, storage maintenance garages, signage, security, and custodian quarters.

Economic Impact

These immersion schools operate in 13 states and serve 19 different tribal communities. Many of these communities, such as Browning, MT, Pine Ridge, SD, Arapaho, WY, Leech Lake, MN, Ft. Defiance, AZ, and Stroud, OK, are among the poorest and most economically depressed communities in America. A $5 million dollar infusion to renovate these schools would make an immediate positive impact on these communities. Jobs for tribal and non-tribal members would be created, Tribal Employment Rights Offices would be emboldened with activity, and local contractors, laborers, and vendors would be put to work right away. This investment will not only benefit Native children attending school in second class facilities, but will provide a source of investment crucial to these local economies.

Educational and Cultural Benefit

A growing body of research demonstrates that Native students who attend immersion schools are out-performing their counterparts at English-only schools on standardized tests. Risk factors decrease as cultural identity, resiliency, and self-confidence rises in immersion students. These students have far lower levels of truancy, disciplinary problems, and drop-out rates than their non-immersion counterparts. The suicide epidemic, and the epidemics in meth-amphetamine use, violence, and substance abuse that pervade Indian Country, also have not reached immersion schools even though it surrounds them.

Conclusion

The National Alliance to Save Native Languages commends the Indian Affairs Committee's commitment to include Indian Country in the "American Recovery and Reinvestment Plan". The Committee's proposal to include $658 million in school construction for tribal schools and colleges is supported by all stakeholders in Indian education. The Alliance thanks the Indian Affairs Committee for its steadfast efforts on behalf of Indian Country and for upholding the sacred trust relationship between Indian Country and the United States. Whereas once the United States had a policy of eliminating Native languages, it now has the opportunity to invest in the revitalization of these American treasures. The Alliance believes Native children attending immersion schools should benefit from the Committee's efforts and that through partnership and collaboration we can give Native children the world class education they need and deserve. The Alliance stands ready to assist the Committee in any way possible in carrying forward this historic endeavor.

APPENDIX
Sample List of Immersion Schools' Needs

Piegan Institute, Cutwood School, Browning, Montana: Located on Montana's wind swept northern plains, the Piegan Institute has operated its K-8th grade private Blackfeet language immersion school for over 20 years. The facility has not kept up with space needs. It has a two-year waiting list for potential students and desperately needs to add at least three classrooms to its existing facilities, it also needs to modernize its heating system to accommodate the sometimes 40° below weather in the winter.

Nigaani Ojibwe Language Immersion School, Leech Lake, Chippewa Reservation, Minnesota: Created in 2001, this preschool through 4th grade immersion school has a waiting list of 12 students and is trying to expand its classroom space so that it can accommodate the elevation of grades as the students advance through grade school. Nigaani is operating out of a converted garage in an existing school. The students are learning in an overheated and overcrowded environment and desperately need more room, and a better cooling system.

Hinono' eitiino'oowu Arapaho Immersion School, Arapaho, Wyoming: Operating out of an abandoned "Temporary Assistance to Needy Families" building this school serves children of the Northern Arapaho tribe in pre-1st grade. Currently the school has 40 students and a significant waiting list. A recent blizzard damaged the roof and ceiling and on 1/06/09 the students were forced to go home in the middle of the day because the outdated heating system failed. The facility needs many renovations including converting the restrooms for age appropriate use. The school is operated by the tribe and has no facility improvements budget. Class rooms will need to be added to provide a space for elevated grades in the school.

Tse Ho Tso Dine Bi' Olta Navajo Immersion, Fort Defiance, Arizona: Tse Ho Tso is a K-8th public school that has at times faced the threat of closure from the State of Arizona due to the state's "English Only" laws. Yet the schools students are posting scores on state exams that are the envy of the district, consistently achieving Adequate Yearly Progress. Bursting at the seams with over 300 hundred students, the school desperately needs more space. In a recent development, the school was awarded an exclusive Gates Foundation grant through Antioch University to establish an early college high school. Tse Ho Tso will become the first American Indian K-12 immersion school. They need to expand facilities to make room for an additional 100 students by fall of 2009, and are ready to renovate now to create the needed classroom space.

Akwesasne Freedom School Mohawk Immersion School, Akewsasne, New York: Akwesasne began immersing tribal members in their Mohawk language in 1979. Since that time, the pre K-8th grade private, tribally-operated school has become very popular with members. The wear on the original facilities has reached the point where renovations are needed to maintain a basic standard of instruction. The school also has a long waiting list and would like to add classrooms to accommodate both teacher space and a more conducive learning environment.

Nkwusm Salish Immersion School, Flathead Indian Reservation, Arlee, Montana: This school is operating out of a renovated bowling ally. With over 40 students attending pre K-1st grade and another 30 on the waiting list, they are in desperate need of renovations that can accommodate growth. Nkwusm needs a new roof, new kitchen, heating and cooling system, and 3 additional classrooms.

Cherokee Immersion, Tahlequah, Oklahoma: The Cherokee Nation operates a K-6th grade immersion grade school that serves Cherokee students in modular classrooms. Their facility is sound but inadequate for the number of children who wish to attend. They currently do not have an indoor play or recreation area and are in need of an outdoor play area.

FALLON PAIUTE-SHOSHONE TRIBE

January 14, 2009

President Elect Barack Obama
Presidential Transition Team
Sixth and E Streets, NW
Washington, DC 20270

Dear President-Elect Barack Obama,

On December 9, 2008 I had the opportunity to meet with members of your transition team at the National Museum of American Indians to discuss issues that are important to Indian Country. On behalf of the State of Nevada Tribes, I want to thank you for the historic opportunity and I would also like to commend you for taking the time to visit our Indian communities to share your views and hear our concerns. It is admirable that you and the Vice President-Elect recognize the needs of Indian Country and have made the commitment to address the deplorable conditions that currently exist within our Indian communities. At the present time I serve as the Chairman of the Fallon Paiute Shoshone Tribe and the President of the Inter-Tribal Council of Nevada. Serving in these capacities I am aware of the disparities that exist within the State of Nevada Indian Communities. As a result of these conditions I would like to respectfully request that you include Tribal governments in the Economic Stimulus Recovery Package.

Since Tribal communities rank lowest in many economic sectors I feel it necessary on behalf of the Nevada Tribes to request that vital **infrastructure improvements** be included in the Stimulus Package for our Tribal communities. I further request that you assist in removing the legal barriers that currently exist and prevent our Tribal governments from accessing the necessary **capital and credit** needed to address the deplorable conditions on our Reservation communities. The following are the necessary programs and projects that need to be incorporated into the Recovery Package:

1) **Tribal infrastructure necessities:**
    - Reservation Roads and Transportation Infrastructure.
    - Expanding and Improving Education Facilities and Services On Reservation.
    - Clean Water, Waste Treatment, and Irrigation Infrastructure.

- Energy Independence Development, Efficiency and Reliability Program.
- Health Facilities and Treatment Center Modernization and Construction.
- Telecommunications Access and Emergency Management Infrastructure.
- Public Safety Infrastructure.
- Housing Relief Rehabilitation and Construction Program.
- Indian Lands Consolidation Program.

2) **Access to Capital and Credit**

- Access to the Governmental Tax-Exempt Capital Market
- Federal Appropriations Utilization for Project Financing Expenses
- Clarification of Tribal Governments in SEC Regulation D
- Alternative Energy Partnership Incentive Program
- Expedited Reservation Community Banking Program
- Guaranteed Loan and Surety Bonding Program
- USDA Pilot Loan Program Expansion for Business and Industry

Once again I commend you for your efforts to address our current Economic disparities. I look forward to working with you, the Transition Team as well as your Administration and should you have any additional questions or require any additional information please feel free to contact me at (775) 423-6075.

Sincerely,

Alvin Moyle, Tribal Chairman
Fallon Paiute Shoshone Tribe

Alamo Navajo School Board, Inc.
P. O. BOX 907
MAGDALENA, NEW MEXICO 87825
(505) 854-2543 Voice (505) 854-2545 Fax

President
Steve Guerro

Vice President
Stanley Herrera

Members:
Burton Apache
Earl Apachito
Berna Vicente

January 14, 2009

Presidential Transition Office
Sixth and E. Street, N.W.
Washington, D.C. 20070

RE: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I write to ask for your support to include in the Economic Stimulus legislation supplemental funding to enable Indian tribes which operate Federal schools for Indian children to receive the amount of funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants-25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY2008-09 currently in progress, and for the upcoming 2009-10 school year which begins July 1, 2009. Not only will the requested funding bring the budget for this program into compliance with the law and enable tribes to comply with sound management standards, it will also enable tribally-operated schools located in at least 20 States to create new meaningful jobs in the Indian reservation communities served by these schools -- a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have an enormous positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost the economy without delay.

We urgently seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Steve Guerro
President
Alamo Navajo School Board Inc.

Alamo Navajo School Board, Inc.
P. O. BOX 907
MAGDALENA, NEW MEXICO 87825
(505) 854-2543 Voice (505) 854-2545 Fax

President
Steve Guerro

Vice President
Stanley Herrera

Members:
Burton Apache
Earl Apachito
Berna Vicente

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Alamo Navajo School Board Inc. I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me, Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Steve Guerro,
President
Alamo Navajo School Board Inc.

VANAMBERG, ROGERS, YEPA, ABEITA & GOMEZ, LLP
ATTORNEYS AT LAW

RONALD J. VANAMBERG (NM)
CARL BRYANT ROGERS (NM, MS)**
DAVID R. YEPA (NM)
CAROLYN J. ABEITA (NM)**
DAVID GOMEZ (NM, NAVAJO NATION)**
**NEW MEXICO BOARD OF LEGAL SPECIALIZATION CERTIFIED SPECIALIST IN THE AREA OF FEDERAL INDIAN LAW

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ALBUQUERQUE, NEW MEXICO 87102
(505) 242-7352
FAX (505) 242-2283

January 26, 2009

BY EMAIL: testimony@indian.senate.gov

Senator Bryan Dorgan, Chairman
Senate Committee on Indian Affairs
838 Hart Office Building
Washington, DC 20510

Re: Supplement to Oversight Hearing Record of January 15, 2009

Dear Senator Dorgan:

This letter is submitted on behalf of our client, the Alamo Navajo School Board, Inc. ("ANSB"), located on the Alamo Navajo Indian Reservation in New Mexico. ANSB requests that this submission be made a part of the record of the Senate Committee on Indian Affairs oversight hearing of January 15, 2009 on Proposals To Create Jobs and Stimulate Indian Country Economies.

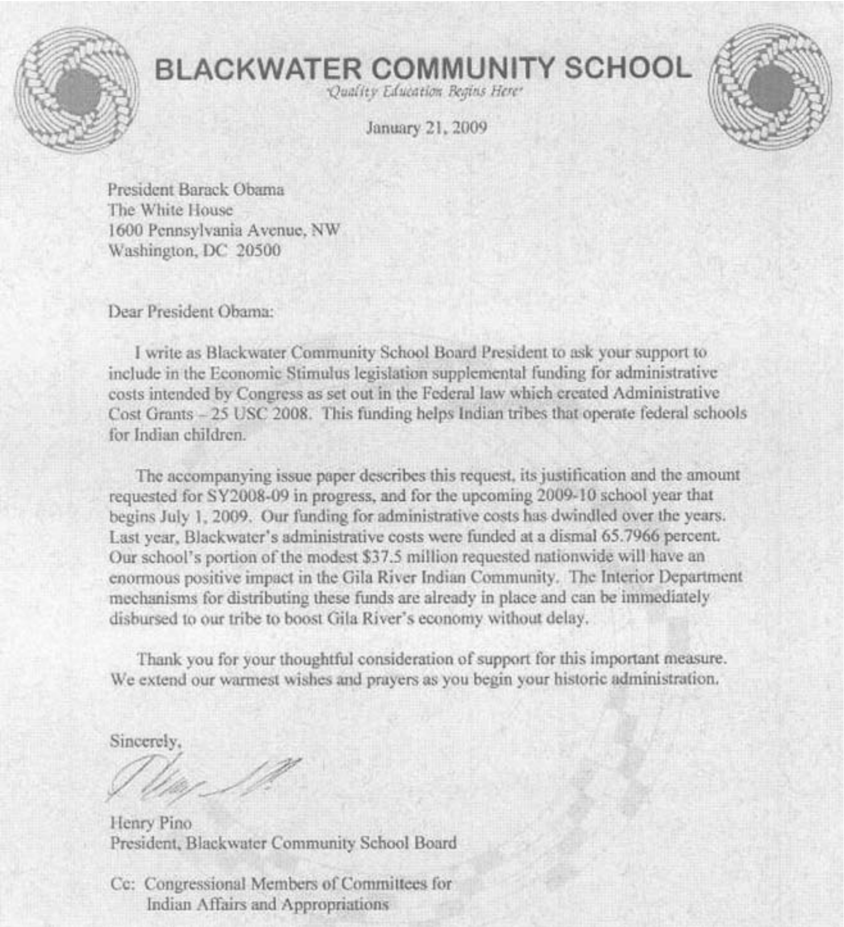
Also, enclosed are concurring letters from a number of other tribes and tribal organizations which operate tribal schools. All are submitted in support of the request that the Congress take immediate action to increase appropriations to provide full administrative cost formula funding to tribally-controlled schools. That formula was established by the Congress at 25 U.S.C. § 2008 to generate administrative funding needed to operate these schools.

Twenty-Five Million dollars ($25,000,000) will fully fund all of those administrative costs per the formula established by Congress for the 2009-2010 school year. Another $12,500,000 would do that for the balance of the 2008-2009 school year. On account of insufficient appropriations, the Interior Department presently funds these costs at only 66% of need as determined by the formula, forcing them to diminish their school programs to cover those costs or leave important administrative functions undone.

Some 125 tribally-controlled schools located in 20 states (see attached list) would benefit from this increased appropriation. We ask that you give this serious consideration, both because it's the right thing to do and because it would immediately stimulate the economy by providing funds with which these tribal organizations could immediately hire critical personnel needed to operate their schools.

Sincerely,

C. BRYANT ROGERS



BLACKWATER COMMUNITY SCHOOL
"Quality Education Begins Here"

January 21, 2009

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

I write as Blackwater Community School Board President to ask your support to include in the Economic Stimulus legislation supplemental funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants – 25 USC 2008. This funding helps Indian tribes that operate federal schools for Indian children.

The accompanying issue paper describes this request, its justification and the amount requested for SY2008-09 in progress, and for the upcoming 2009-10 school year that begins July 1, 2009. Our funding for administrative costs has dwindled over the years. Last year, Blackwater's administrative costs were funded at a dismal 65.7966 percent. Our school's portion of the modest $37.5 million requested nationwide will have an enormous positive impact in the Gila River Indian Community. The Interior Department mechanisms for distributing these funds are already in place and can be immediately disbursed to our tribe to boost Gila River's economy without delay.

Thank you for your thoughtful consideration of support for this important measure. We extend our warmest wishes and prayers as you begin your historic administration.

Sincerely,

Henry Pino
President, Blackwater Community School Board

Cc: Congressional Members of Committees for
Indian Affairs and Appropriations

P.O. BOX 679 – CROWNPOINT, NM 87313

January 14, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

RE: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I write to ask for your support to include in the Economic Stimulus legislation supplemental funding to enable Indian tribes which operate Federal schools for Indian children to receive the amount of funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants – 25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY2008-09 currently in progress, and for the upcoming 2009-10 school year, which begins July 1, 2009. Not only will the requested funding bring the budget for this program into compliance with the law and enable tribes to comply with sound management standards, it will also enable tribally-operated schools located in at least 20 States to create new meaningful jobs in the Indian reservation communities served by these schools – a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have an enormous positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost the economy without delay.

We urgently seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Fernie Yazzie
President
Borrego Pass School Board

Board of Directors:
Willis Nez, President
Tom Begay, Vice President
Treva M. Roanhorse,
Secretary / Treasurer
Peter Watchman, Member
Harrison Plummer, Member

Ch'ooshgai Community School
Board of Education, Inc.
P.O. Box 321, Tohatchi, New Mexico 87325

January 15, 2009

Presidential Transition Office
Sixth and E Street, N.W.
Washington, D.C. 20070

Re: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I am writing this letter to request your support to include in your Economic Stimulus Legislation, supplemental funding to enable Indian tribes which operate Federal Grant Schools for Indian Children to receive appropriate administrative cost funds intended by Congress as written in the Federal law which created the Administrative Cost Grants – 25 USC 2008.

The attached issue paper justifies our funding request for School Year (SY) 2008-2009 and for the upcoming SY 2009-2010 which begins July 1, 2009. This request for supplemental funds will bring the administrative cost grant funds into compliance with the law. It will allow tribes to operate their schools as required by law or prudent management practice. This request will also enable tribally-operated schools located in twenty (20) states to create new meaningful jobs in the Indian communities served by these schools – a key objective of the Economic Stimulus Legislation. The modest $37.5 million requested will have an enormous positive impact in those Indian communities.

The U. S. Department of Interior mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost their economy without delay.

We seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Willis Nez
President, CCSBE, Inc.

Resolution of the Ch'ooshgai Community School
Board of Education, Inc.
Tohatchi, New Mexico

Resolution No. CCSBE-2008-0044

Resolution of the Ch'ooshgai Community School Recommending that the Navajo Nation Education Committee Seriously Consider the Insufficient Amount of Administrative Cost Grant Funds Received by the Grant Schools in the Navajo Area from the Bureau of Indian Affairs.

Whereas:

1. The Ch'ooshgai Community School Board of Education, Inc. is authorized to operate the Ch'ooshgai Community School as a grant school, pursuant to the Resolution of the Intergovernmental Relations Committee and the Education Committee of the Navajo Nation Council, IGRJY-128-03 and ECJN-11-06 respectfully, and that the Ch'ooshgai Community School Board of Education, Inc. is the governing board empowered to review, sanction and authorize contacts and agreements on behalf of the school; and

2. The Ch'ooshgai Community School Board of Education, Inc. is the governing board (hereafter referred to as the school board) duly elected to serve in the best interest of the Ch'ooshgai Community School and responsible for the development of policies and procedures for its successful and efficient operation; and

3. Currently, thirty-four Contract and Grant Schools in the Navajo Area receive Administrative Cost Grant Funds through Public Law 107-110, Part B – Bureau of Indian Affairs Programs, Section 1128 (a) (1) (A), to offset costs of necessary administrative functions which a tribal organization incurs as a results of operating a tribal elementary or secondary educational program; and

4. The Bureau of Indian Affairs Programs are not requesting sufficient administrative cost funds in their annual budget plans to adequately meet the growing needs of the Navajo Area Grant Schools as they convert from a Bureau operated school setting; and

5. The Bureau of Indian Affairs' annual budget allocation for the administrative cost grant has steadily been decreasing over the past ten years, in the meantime, the tribes are stilling converting their Bureau operated schools to grant schools; and

6. The Navajo Nation Education Committee needs to reassess and request from the Bureau of Indian Affairs, appropriate administrative cost grant funds before converting any more Bureau schools in the Navajo Area to a grant status.

Now, therefore be it resolved that:

1. The Ch'ooshgai Community School is recommending that the Navajo Nation Council Education Committee:
   a. Seriously consider the inadequate amount of Bureau of Indian Affairs Administrative Cost Grant Funds received for the Grant Schools in the Navajo Area.
   b. Immediately discontinue the conversion of Bureau schools to grant status until appropriate administrative cost grant funds are allocated by the Bureau of Indian Affairs.
   c. Officially request for additional administrative cost grant funds to ensure that the Grant Schools can adequately managed their schools in the Navajo Area.

Certification

I, the undersigned President of the Ch'ooshgai Community School Board of Education, Inc. hereby certifies that the foregoing resolution was approved at an official meeting of the Ch'ooshgai Community School Board, Inc. held in Tohatchi, New Mexico by a vote of 5 in favor, 0 opposed, and 0 abstained this day of July 1, 2008.

Willis Nez, President
Ch'ooshgai Community School Board Education, Inc.

Motion: Harrison Plummer

Second: Ethel Manuelito

FINANCE DEPARTMENT June 25, 2008

Administrative Cost Grant Funds

	Administrative	% Change	Amt Change	Total Budget w/o	Budget
FY 1997-1998	**$ 528,000.00**				
FY 1998-1999	**$ 940,600.00**	78.14%	$ 412,600.00		
Program Dollars:	$ 6,082,212.00				
Admin Cost Rate:	17.27%				
Calculated Need:	$ 1,050,398.00				
Prorated ACG:	89.54%				
CCS ACG:	$ 940,600.00				
FY 1999-2000	**$ 844,000.00**	-10.27%	$ (96,600.00)		
FY 2000-2001	**$ 964,800.00**	14.31%	$ 120,800.00		
FY 2001-2002	**$ 784,700.00**	-18.67%	$ (180,100.00)	**$ 10,426,661.32**	7.53%
FY 2002-2003	**$ 622,500.00**	-20.67%	$ (162,200.00)		
Prógram Dollars:	$ 6,147,238.00				
Admin Cost Rate:	14.04%				
Calculated Need:	$ 863,100.00				
Prorated ACG:	72.13%				
CCS ACG:	$ 622,500.00				
FY 2003-2004	**$ 628,900.00**	1.03%	$ 6,400.00	**$ 9,960,275.15**	6.31%
FY 2004-2005	**$ 620,900.00**	-1.27%	$ (8,000.00)		
FY 2005-2006	**$ 580,000.00**	-6.59%	$ (40,900.00)	**$ 12,371,137.96**	4.69%
FY 2006-2007	**$ 623,700.00**	7.53%	$ 43,700.00		
FY 2007-2008	**$ 609,300.00**	-2.31%	$ (14,400.00)	**$ 22,581,172.22**	2.70%
Program Dollars:	$ 6,312,586.00				
Admin Cost Rate:	14.68%				
Calculated Need:	$ 926,700.00				
Prorated ACG:	65.75%				
CCS ACG:	$ 609,300.00				

TO’HAJIILEE COMMUNITY SCHOOL BOARD OF EDUCATION, INC.

Tony Secatero, President
Patrick D. Lynch, Sec/Treasurer
Mark Begay, Member

Bertha Bruce, Vice-President
John Chavez, Member

RESOLUTION OF THE TO’HAJIILEE COMMUNITY SCHOOL
BOARD OF EDUCATION, INC.
TO’HAJIILEE, NEW MEXICO

Recommending to the Navajo Nation Education Committee to Seriously Consider and Adopt a Plan of Action To Address the Insufficient Amount of Administrative Cost Grant Funds Received by the Navajo Nation Grant Schools from the Bureau of Indian Education.

WHEREAS:

1. The To’hajiilee Community School Board of Education, Inc. is authorized by the Education Committee and the Intergovernmental Relations Committee of the Navajo Nation Council to operate the To’hajiilee Community School as a Grant School funded by the Bureau of Indian Education., and the To'Hajiilee Community School Board of Education, Inc is the governing board empowered to review, sanction, and authorize contracts and agreements on behalf of the school.

2. The To’Hajiilee Community School Board of Education, Inc. is the governing board duly elected to serve in the best interest of the To'Hajiilee Community School and responsible for the development of policies and procedures for the total operation of the school.

3. Currently, thirty-four Contract and Grant Schools in the Navajo Area receive Administrative Cost Grant Funds authorized by Public Law 107-110, Part B – Bureau of Indian Affairs Programs, Section 1128 (a) (1) (A) through a formula to provide the Required and authorized Administrative functions for their Grant School that are performed by the Bureau of Indian Affairs for a Bureau operated School providing the same elementary and secondary educational programs for Indian children.

4. The Bureau of Indian Education is not requesting sufficient Administrative Cost Funds in their annual budget request to Maintain the Administrative Cost funding levels authorized by the formula. The funding level has not increased as more schools were added to the funding formula base. Their has been no increase in funding for this line item in the Bureau of Indian Education. Budget for the past seven years except funds requested to entice schools to convert to Grant by furnishing 100% funding for administrative cost for the first year as a Grant School, then these Schools experience a 34% reduction in funding levels in their Second year of operation.

5. The Navajo Nation Education Committee needs to assess and evaluate the availability of adequate administrative cost funds and request that the Bureau of Indian Education acquire adequate administrative cost funds for the current Grant Schools before approving any more Bureau of Indian Education Operated Schools to convert to Grant status.

NOW, THEREFORE BE IT RESOLVED THAT:

1. The To'Hajiilee Community School Board of Education is recommending that the Navajo Nation Council Education Committee:

   A. Seriously consider the inadequate amount of Bureau of Indian Education Administrative Cost Grant Funds received for the Navajo Nation Grant Schools;

   B. Immediately place a moratorium on the conversion of Bureau of Indian Education Operated Schools to Navajo Nation Grant School status until adequate Administrative Cost Grant Funds are provided by the Bureau of Indian Education;

   C. Request that the Legislative and Executive Branches of the Navajo Nation Government jointly work in unison to officially address this funding shortfall by informing the Department of the Interior, The Bureau of Indian Education, and the Appropriations Committees of the United States Congress of this impediment to Indian Self Determination.

CERTIFICATION

I, the President of the To'Hajiilee Community School Board of Education, Inc. hereby certify that the foregoing resolution was approved at an official meeting of the To'Hajiilee Community School Board, Inc. held a To'Hajiilee New Mexico by a vote of 5 in favor, 0 opposed, and 0 abstained on July 3, 2008.

Motion: Bertha Bruce

Second: John Chavez

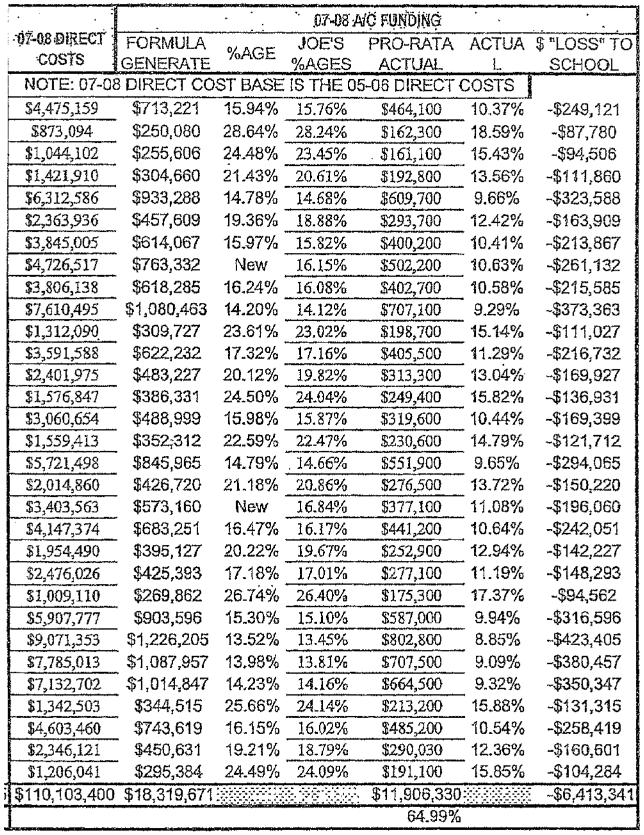
Mr. Tony Secatero
President

Tohajiilee Community School
Indirect Cost Calculation for SY 04-05 / 05-06 / 06-07 / 07-08

	SY 04 - 05	SY 05 - 06	SY 06 - 07	SY 07 - 08
Administrative Cost Rate	16.21%	16.28%	16.29%	16.31%
Program Dollars	$3,887,592	$3,940,620	$4,379,474	$4,520,936
Formula Calculated Need	$630,200	$641,900	$713,400	$737,490
Final Distribution % of Calculated Need		71.67%	70.26%	65.75%
Prorated Need Received	$630,200	$460,100	$501,200	$484,900
SUMMARY				
Increase In Program Dollars		$53,028	$438,854	$141,462
Decrease In Funding of Calculated Need	0%	-28.33%	-29.75%	-34.25%
Note: BIE funds all new First Year grant schools at 100% of the formula calculated need.				

2007-2008	FOUR YEAR LOSS BY SCHOOL	04-05 DIRECT COSTS	04-05 A/C FUNDING				
			FORMULA GENERATED	JOE'S %AGES	PRO-RATA ACTUAL	ACTUAL %AGE	$ "LOSS" TO SCHOOL
Schl Name		NOTE: 04-05 DIRECT COST BASE WAS THE 02-03 DIRECT COSTS					
Alamo Navajo Schl	-$784,537	$4,112,630	$643,627	15.65%	$489,400	11.90%	-$154,227
Aztec Dorm	-$263,716	$779,543	$226,379	29.04%	$171,900	22.05%	-$54,479
Black Mesa Comty Schl	-$334,251	$1,400,966	$342,256	24.43%	$260,300	18.58%	-$81,956
Chilchinbeto Comty Schl	-$414,183	$1,709,434	$388,042	22.70%	$295,100	17.26%	-$92,942
Ch'ooshgai Comty Schl	-$1,021,493	$5,738,122	$816,535	14.23%	$620,900	10.82%	-$195,635
Dibe Yazhi Habitiin Olta, Inc. (Borrego Pass)	-$538,288	$2,622,152	$519,973	19.83%	$395,500	15.08%	-$124,473
Dilcon Comty Schl	-$726,888	$4,179,800	$634,076	15.17%	$482,200	11.54%	-$151,876
Dzilth-Na-O-Dith-Hle Comty Schl	-$471,570	New in 06-07					
Greasewood Springs Comty Schl	-$724,295	$3,889,017	$616,020	15.84%	$468,500	12.05%	-$147,520
Greyhills Academy High Schl	-$1,194,329	$6,826,107	$991,151	14.52%	$753,800	11.04%	-$237,351
Hanaa'dli Comty Schl (Huerfano)	-$358,105	$1,369,685	$322,150	23.52%	$245,000	17.89%	-$77,150
Jeehdeez'a Academy, Inc. (Low Mountain)	-$670,648	$3,302,681	$562,777	17.04%	$428,000	12.96%	-$134,777
Kin Dah Lichi'i Olta'	-$514,831	$2,004,066	$407,627	20.34%	$310,000	15.47%	-$97,627
KinLani Bordertown Dorm (Flagstaff)	-$373,793	$1,178,294	$287,739	24.42%	$218,800	18.57%	-$68,939
Leupp Schl, Inc.	-$706,083	$3,922,910	$635,511	16.20%	$483,300	12.32%	-$152,211
Little Singer Comty Schl	-$410,950	$1,460,420	$329,325	22.55%	$250,400	17.15%	-$78,925
Lukachukai Comty Schl	-$986,053	$5,612,551	$858,720	15.30%	$653,000	11.63%	-$205,720
Naa Tsis'aan Comty Schl (Nav. Mountain)	-$457,254	$1,647,567	$346,813	21.05%	$263,700	16.01%	-$83,113
Na'neelzhiin Ji'Olta (Torreon)	-$196,060	New in 07-08					
Navajo Preparatory Schl	-$760,594	$3,768,262	$632,691	16.79%	$481,200	12.77%	-$151,491
Nazlini Comty Schl	-$469,220	$1,918,258	$402,259	20.97%	$305,900	15.95%	-$96,359
Pinon Comty Schl	-$590,181	$3,233,056	$558,025	17.26%	$424,300	13.12%	-$133,725
Richfield Residential Hall	-$294,673	$912,634	$251,339	27.54%	$191,100	20.94%	-$60,239
Rock Point Comty Schl	-$941,411	$4,873,175	$732,438	15.03%	$557,000	11.43%	-$175,438
Rough Rock Comty Schl	-$1,411,687	$8,821,798	$1,197,118	13.57%	$910,400	10.32%	-$286,718
Shiprock Northwest (Alternative Schls)	-$1,235,486	$7,839,449	$1,122,609	14.32%	$853,700	10.89%	-$268,909
Shonto Preparatory Schl	-$1,140,638	$6,452,063	$925,226	14.34%	$703,600	10.91%	-$221,626
Tiisyaakin Residential Hall (Holbrook)	-$362,659	$1,058,266	$266,895	25.22%	$203,000	19.18%	-$63,895
To'Hajiilee He (Cañoncito)	-$646,584	New in 05-06					
Wide Ruins Comty Schl	-$515,303	$2,337,804	$431,091	18.44%	$327,800	14.02%	-$103,291
Winslow Residential Hall	-$331,787	$1,071,182	$253,442	23.66%	$192,700	17.99%	-$60,742
4 YEAR OVERALL LOSS TO NAVAJO NATION	-$19,847,550	$94,041,892	$15,701,853		$11,940,500		-$3,761,353
PRO-RATA FUNDING RATE FOR THE YEAR		76.05%					

05-06 DIRECT COSTS	05-06 A/C FUNDING					06-07 DIRECT COSTS	06-07 A/C FUNDING					
	FORMULA GENERATED	JOE'S %AGES	PRO-RATA ACTUAL	ACTUAL %AGE	$ "LOSS" TO SCHOOL		FORMULA GENERATED	%AGE	JOE'S %AGES	PRO-RATA ACTUAL	ACTUAL %AGE	$ "LOSS" TO SCHOOL
NOTE: 05-06 DIRECT COST BASE WAS THE 03-04 DIRECT COSTS						NOTE: 06-07 DIRECT COST BASE WAS THE 04-05 DIRECT COSTS						
$4,139,396	$633,742	15.31%	$454,100	10.97%	-$179,642	$4,089,770	$652,947	15.97%	15.71%	$451,400	11.04%	-$201,547
$726,307	$200,969	27.67%	$144,000	19.83%	-$56,969	$753,831	$210,787	27.96%	27.62%	$146,300	19.41%	-$64,487
$1,135,779	$269,407	23.72%	$193,100	17.00%	-$76,307	$1,097,990	$249,182	22.69%	21.74%	$167,700	15.27%	-$81,482
$1,644,371	$339,398	20.64%	$243,200	14.79%	-$96,198	$1,703,000	$359,884	21.13%	20.62%	$246,700	14.49%	-$113,184
$5,583,022	$803,955	14.40%	$576,200	10.32%	-$227,755	$6,113,657	$898,215	14.69%	14.52%	$623,700	10.20%	-$274,515
$2,199,743	$411,572	18.71%	$295,000	13.41%	-$116,572	$2,390,367	$436,534	18.26%	18.05%	$303,200	12.68%	-$133,334
$4,107,762	$637,935	15.53%	$457,200	11.13%	-$180,735	$3,796,083	$603,410	15.90%	15.86%	$423,000	11.14%	-$180,410
New in 06-07		New in 06-07				$4,393,403	$707,338	New	16.10%	$496,900	11.31%	-$210,438
$3,861,889	$609,020	15.77%	$436,400	11.30%	-$172,620	$3,831,375	$621,170	16.21%	16.07%	$432,600	11.29%	-$188,570
$6,719,334	$958,849	14.27%	$687,100	10.23%	-$271,749	$7,285,446	$1,030,967	14.15%	14.05%	$719,100	9.87%	-$311,867
$1,256,310	$305,409	24.31%	$218,900	17.42%	-$86,509	$1,205,498	$275,819	22.88%	22.72%	$192,400	15.96%	-$83,419
$3,099,784	$529,133	17.07%	$379,200	12.23%	-$149,933	$3,215,525	$546,507	17.00%	16.70%	$377,300	11.73%	-$169,207
$1,966,375	$390,325	19.85%	$279,700	14.22%	-$110,625	$2,206,805	$441,051	19.99%	19.63%	$304,400	13.79%	-$136,651
$1,133,307	$270,407	23.86%	$193,800	17.10%	-$76,607	$1,245,581	$300,916	24.16%	23.96%	$209,600	16.83%	-$91,316
$4,101,678	$640,682	15.62%	$459,200	11.20%	-$181,482	$4,168,446	$674,190	16.17%	16.09%	$471,200	11.30%	-$202,990
$1,418,529	$312,644	22.04%	$224,000	15.79%	-$88,644	$1,767,996	$395,269	22.36%	22.03%	$273,600	15.48%	-$121,669
$5,581,124	$830,471	14.88%	$595,200	10.66%	-$235,271	$5,584,214	$824,597	14.77%	14.62%	$573,600	10.27%	-$250,997
$1,698,933	$349,810	20.59%	$250,700	14.76%	-$99,110	$1,830,399	$391,911	21.41%	20.77%	$267,100	14.59%	-$124,811
New in 07-08		New in 07-08				New in 07-08			New in 07-08 .			
$3,674,519	$613,645	16.70%	$439,700	11.97%	-$173,945	$3,914,619	$640,307	16.36%	16.26%	$447,200	11.42%	-$193,107
$1,938,963	$383,333	19.77%	$274,700	14.17%	-$108,633	$1,834,710	$372,302	20.29%	19.42%	$250,300	13.64%	-$122,002
$3,186,112	$526,027	16.51%	$377,000	11.83%	-$149,027	$3,030,349	$518,335	17.10%	16.87%	$359,200	11.85%	-$159,135
$886,411	$221,425	24.98%	$158,700	17.90%	-$62,725	$959,381	$253,945	26.47%	26.23%	$176,800	18.43%	-$77,145
$4,848,171	$734,498	15.15%	$526,400	10.86%	-$208,098	$5,201,694	$794,579	15.28%	15.14%	$553,300	10.64%	-$241,279
$8,695,552	$1,181,726	13.59%	$846,900	9.74%	-$334,826	$9,027,545	$1,217,238	13.48%	13.41%	$850,500	9.42%	-$366,738
$7,265,491	$1,015,716	13.98%	$727,900	10.02%	-$287,816	$7,304,335	$1,006,004	13.77%	13.79%	$707,700	9.69%	-$298,304
$6,648,872	$950,789	14.30%	$681,400	10.25%	-$269,389	$6,960,220	$996,577	14.32%	14.26%	$697,300	10.02%	-$299,277
$995,946	$251,178	25.22%	$180,000	18.07%	-$71,178	$1,246,346	$312,972	25.11%	24.75%	$216,700	17.39%	-$96,272
$3,940,620	$641,927	16.29%	$460,000	11.67%	-$181,927	$4,379,474	$707,438	16.15%	16.29%	$501,200	11.44%	-$206,238
$2,251,053	$415,544	18.46%	$297,800	13.23%	-$117,744	$2,260,816	$428,767	18.97%	18.58%	$295,100	13.05%	-$133,667
$1,134,358	$270,204	23.82%	$193,600	17.07%	-$76,604	$1,168,133	$292,057	25.00%	24.60%	$201,900	17.28%	-$90,157
$95,839,711	$15,699,740		$11,251,100		-$4,448,640	$103,967,008	$17,161,215			$11,937,000		-$5,224,215
			71.66%							69.56%		



07-08 DIRECT COSTS	07-08 A/C FUNDING					
	FORMULA GENERATE	%AGE	JOE'S %AGES	PRO-RATA ACTUAL	ACTUAL	$ "LOSS" TO SCHOOL
NOTE: 07-08 DIRECT COST BASE IS THE 05-06 DIRECT COSTS						
$4,475,159	$713,221	15.94%	15.76%	$464,100	10.37%	-$249,121
$873,094	$250,080	28.64%	28.24%	$162,300	18.59%	-$87,780
$1,044,102	$255,606	24.48%	23.45%	$161,100	15.43%	-$94,506
$1,421,910	$304,660	21.43%	20.61%	$192,800	13.56%	-$111,860
$6,312,586	$933,288	14.78%	14.68%	$609,700	9.66%	-$323,588
$2,363,936	$457,609	19.36%	18.88%	$293,700	12.42%	-$163,909
$3,845,005	$614,067	15.97%	15.82%	$400,200	10.41%	-$213,867
$4,726,517	$763,332	New	16.15%	$502,200	10.63%	-$261,132
$3,806,138	$618,285	16.24%	16.08%	$402,700	10.58%	-$215,585
$7,610,495	$1,080,463	14.20%	14.12%	$707,100	9.29%	-$373,363
$1,312,090	$309,727	23.61%	23.02%	$198,700	15.14%	-$111,027
$3,591,588	$622,232	17.32%	17.16%	$405,500	11.29%	-$216,732
$2,401,975	$483,227	20.12%	19.82%	$313,300	13.04%	-$169,927
$1,576,847	$386,331	24.50%	24.04%	$249,400	15.82%	-$136,931
$3,060,654	$488,999	15.98%	15.87%	$319,600	10.44%	-$169,399
$1,559,413	$352,312	22.59%	22.47%	$230,600	14.79%	-$121,712
$5,721,498	$845,965	14.79%	14.66%	$551,900	9.65%	-$294,065
$2,014,860	$426,720	21.18%	20.86%	$276,500	13.72%	-$150,220
$3,403,563	$573,160	New	16.84%	$377,100	11.08%	-$196,060
$4,147,374	$683,251	16.47%	16.17%	$441,200	10.64%	-$242,051
$1,954,490	$395,127	20.22%	19.67%	$252,900	12.94%	-$142,227
$2,476,026	$425,393	17.18%	17.01%	$277,100	11.19%	-$148,293
$1,009,110	$269,862	26.74%	26.40%	$175,300	17.37%	-$94,562
$5,907,777	$903,596	15.30%	15.10%	$587,000	9.94%	-$316,596
$9,071,353	$1,226,205	13.52%	13.45%	$802,800	8.85%	-$423,405
$7,785,013	$1,087,957	13.98%	13.81%	$707,500	9.09%	-$380,457
$7,132,702	$1,014,847	14.23%	14.16%	$664,500	9.32%	-$350,347
$1,342,503	$344,515	25.66%	24.14%	$213,200	15.88%	-$131,315
$4,603,460	$743,619	16.15%	16.02%	$485,200	10.54%	-$258,419
$2,346,121	$450,631	19.21%	18.79%	$290,030	12.36%	-$160,601
$1,206,041	$295,384	24.49%	24.09%	$191,100	15.85%	-$104,284
$110,103,400	$18,319,671			$11,906,330		-$6,413,341
				64.99%		

Dzilth-Na-O-Dith-Hle Community Grant School
35 Road 7585, Box 5003
Bloomfield, New Mexico 87413

"FOR EACH CHILD — SUCCESS"

HOME OF THE MUSTANGS

January 15, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

RE: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

On behalf of the Dzilth-Na-O-Dith-Hle Community Grant School board members, we ask for your full support to include in the Economic Stimulus legislation supplemental funding to allow Indian tribes which operate Federal schools for Indian children to receive the amount of funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants - 25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY2008-09 currently in progress, and for the upcoming 2009-10 school year which begins July 01, 2009. The requested funding will finally bring the budget for this program into compliance with the law and will enable tribes to comply with sound management standards. It will also make possible for tribally-operated schools located in approximately 20 States to create new meaningful jobs in the Indian reservation communities served by these schools - a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have a massive positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Therefore, they can be immediately distributed to tribes to boost the economy without delay.

We plead for your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely,

Ervin Chavez,
Board President

OFFICE OF THE TRIBAL MIKO
BEASLEY DENSON
PHONE (601) 656-5251 FAX (601) 650-7496
EMAIL: beasley.denson@choctaw.org
MISSISSIPPI BAND OF CHOCTAW INDIANS
P.O. BOX 6010 • 101 INDUSTRIAL ROAD
CHOCTAW, MS 39350

January 15, 2009

Presidential Transition Office
Sixth and E Streets, N. W.
Washington, DC 20070

Re: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I write to ask for your support to include in the Economic Stimulus legislation supplemental funding to enable Indian tribes which operate Federal schools from Indian children to receive the amount of funding for administrative costs intended by congress as set out in the Federal law which created Administrative Cost Grants – 25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY1008-09 currently in progress, and for the upcoming 2009-10 school year which begins July 1, 2009. Not only will the requested funding bring the budget for this program into compliance with the law and enable tribes to comply with sound management standards, it will also enable tribally-operated schools located in at least 20 States to create new meaningful jobs in the Indian reservation communities served by theses schools – a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have an enormous positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost the economy without delay.

We urgently seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Miko Beasley Denson

Enclosure

cc:
Honorable Harry Reid, Senate Majority Leader
Honorable Nancy Pelosi, Speaker of the House

RAMAH NAVAJO SCHOOL BOARD, INC

P.O. BOX 10 • PINE HILL, NEW MEXICO 87357

EXECUTIVE OFFICE

January 13, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

RE: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I write to ask for your support to include in the Economic Stimulus legislation supplemental funding to enable Indian tribes which operate Federal schools for Indian children to receive the amount of funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants – 25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY2008-09 currently in progress, and for the upcoming 2009-10 school year which begins July 1, 2009. Not only will the requested funding bring the budget for this program into compliance with the law and enable tribes to comply with sound management standards, it will also enable tribally-operated schools located in at least 20 States to create new meaningful jobs in the Indian reservation communities served by these schools – a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have an enormous positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost the economy without delay.

We urgently seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Martha Garcia

Martha Garcia
President
Ramah Navajo School Board

Arctic Slope
Native Association, Limited

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Arctic Slope Native Association, Ltd., I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me, Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Marie Carroll

Marie Carroll
President/CEO, Arctic Slope Native Association, Ltd.

BLACKFEET NATION
P.O. Box 850 ~ Browning, Montana 59417

EXECUTIVE COMMITTEE

Willie A. Sharp, Jr. - Chairman
Peter "Rusty" Tatsey– Vice Chairman
T. J. Show – Secretary
Kenneth Augare - Treasurer

BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp, Jr.
Peter "Rusty"Tatsey
Terry "T.J." Show
Roger "Sassy" Running Crane
Paul McEvers
Ronald "Smiley"Kittson
Rodney "Fish" Gervais
Reise "Reis" Fisher
Henry Butterfly

January 12, 2009

The Honorable Barack Obama
President-Elect
451 6th Street, NW
Washington, D.C. 20240

c/o Robert Nabors, Economic Policy Team
Jason Furman, Economic Policy Team
Wizipan Garriott, First Americans Public Liaison
David Hayes, Energy and Natural Resources Team
Keith Harper, Energy and Natural Resources Team

Presidential Transition Office
Sixth and E Streets, NW
Washington, D.C. 20270

Dear Mr. President Elect:

Thank you for this incredible opportunity of allowing the Blackfeet Tribe the privilege of submitting to you the economic recovery needs of the Blackfeet Nation. Even before the economic crisis, our efforts have been overwhelmingly marginalized by desperate needs in economic development and employment. With over one hundred fifty-three (153) years of Blackfeet colonization since the signing of the Lamebull Treaty by the Blackfoot Confederacy and the sale of Glacier National Park, the Blackfeet are hopeful of economic recovery.

Like many of the other United States Tribes and first people of the Americas, the Blackfeet are submitting the following tribal economic and infrastructure needs that have prevented economic growth and social recovery. This current economic crisis has left us more vulnerable to a depressed economy, joblessness and instability within our government. Social scientists refer to Indian Country as less developing countries and what you have experienced in 3rd world countries, like Indonesia and others. Blackfeet country is no different than other less developing countries (LDC's), as we are plagued by high unemployment and poverty also.

This letter is a unique way to address the more critical issues that illustrates to your transition team the harsh realities that exist economically and socially for our Tribe. All of these issues concern and impact our sovereignty, self-determination, trust responsibility, public safety, economic development, health, land fractionalization, water, homeland security, veteran's affairs, culture and education.

As you know, the Blackfeet Tribe is never given an adequate budget by the Interior Department to manage the essential services that our government tries to provide our people. Because of that serious constraint, many comprehensive economic and social projects become constrained as we become more and more dependent on the federal funding allocation system to seek grants from federal sources. As a serious consequence, these listed needed infrastructure projects remain as unmet infrastructure needs and are resubmitted with each successive funding cycle creating impediments to added social and economic maladies.

In conclusion, we have been overlooked in our continued efforts to sustain our economy; politically, socially and economically by many administrations. Your administration changed that. This historic Indian Economic Recovery Plan gives us hope. It is our honor that we provide your administration with the most feasible and shovel ready projects that will immediately boost our economy, create jobs and give us hope that one day the Blackfeet Tribe can reduce its poverty, grow our economy and sustain jobs for our people.

The Blackfeet Tribe is confident in your leadership. We are optimistic that you are willing to take the time to listen and by assisting in our recovery of our tribal economies. We thank you for your serious and favorable consideration to our request.

Respectfully,

Willie A Sharp Jr.

Willie A. Sharp, Jr., Chairman
Blackfeet Tribal Business Council

BLACKFEET TRIBE ECONOMIC RECOVERY PLAN REQUEST

1. WATER INFRASTRUCTURE

A. *Safe Drinking Water & Water Development Need*

Browning Community Water Project (BCWP) - The water infrastructure needs of Blackfeet communities is suffering from a funding deficiency in the amount of $3.5 million dollars. Potable water is a serious health issue on our reservation. Safe and an adequate water supply in nearly all of the homes in the reservation communities of Browning and East Glacier are at risk each day. The community of East Glacier, located near Glacier National Park, has been on a boil water order issued by the Environmental Protection Agency since 1994. The potable water in Brownings' antiquated system combined with several years of consistent drought conditions in the northern plains, has severely impacted the use of water. The Town of Browning is on serious reduced water restrictions for nearly fifteen years. The water has such high levels of turbidity in the spring and summer months. Thousands of its residents refuse to drink or use it and are forced to purchase water from vendors. The BCWP began in 2000. Due to lack of funding sources for a project originally engineered to cost between twelve and fifteen thousand million dollars ($12 to $15), it became necessary to be phased in to three components estimated at 2000 and 2003 construction and engineering prices. Phase I, the Intake Structure, was completed at a cost of 1.6 million dollars and funded by multi-agency sources; including tribal, state, local and federal agencies. Phase II, was to be completed by November 2008 but the planning to secure funding for completion is exhausted, leaving Phase II in 1.5 million dollars debt. This phase consists of building a state of the art filtration membrane system and treatment plant. Currently, the project is 95% partially, substantial complete. Today, however, limited amounts of funding sources are available from those identified for Phase I. As a result of rising costs through change orders and other construction and engineering costs, the Tribe needs to secure the 1.5 million dollars so as to deliver potable water to the residents of the East Glacier community, of which 90% are Blackfeet members. Phases II & III are listed in the 2008 Sanitary Deficiency Service (SDS) Database. Phase III is yet even more crucial, as it includes a water line from the water plant near East Glacier to Browning with a storage tank. Taps will be provided to allow people on home site locations to receive water. It is shovel ready and waiting to go to bid. We are two million dollars short for Phase III. Even more important, the local school board recently constructed a new high school. Unable for the Town of Browning to supply it with water under its deteriorating and antiquated system, the students, staff and teachers are unable to occupy it until we secure the remaining funds to complete the project. Consequently, it is critical that we are able to obtain enough funds from the economic recovery package (Department of Interior or Indian Health Services) to provide potable water to the residents of Blackfeet communities of Browning and East Glacier. Even before the current economic crisis, the Blackfeet Tribe was financially constrained due to years of high unemployment rates and joblessness. The project, once completed, will bring long term employment to the reservation.

B. Blackfeet Water Rights and Water Development, Domestic and Agriculture Development

After nearly two decades, the Blackfeet Tribe recently completed a water rights compact with the Montana Reserved Water Rights Compact Commission and is entirely different than the community water project described above. The Compact requires the approval of Congress, the Montana Legislature and the Blackfeet Tribe through a vote of the membership. The Compact was negotiated by Tribal representatives, compact commission representatives and a federal team, and resolves the water rights of the Tribe on the Reservation. It does not resolve water related claims against the federal government. The Tribe will be seeking federal contributions to settlement based on resolution of various water related claims. The Tribe is concerned that its compact receive fair consideration to fund shovel ready projects in which they can begin immediately based on the compact and estimated to cost approximately 196 million dollars if all are given favorable consideration: 1) Four Horns Dam Enlargement - $98 million; 2) Regional Water Systems for Reservation Communities, $30 million; 3) Domestic Water Development, $17 million; 4) Livestock and agriculture development, $11 million; 5) Alternative Energy (Hydro and Wind Power,) $11 million; 6) Fisheries and Wildlife Enhancement, $4 million; 7) Tribal Management Funding, $25 million; *8) Water Right Development, $414 million, 9) Minerals Development & Marketing – Gravel crusher equipment $2 million. With the exception of item number 8, all of the projects are shovel ready and projected to provide long term and sustainable employment. This economic recovery package includes energy independence development, efficiency and reliability programs for the Blackfeet.

The Tribe is seeking a federal contribution to settlement based on resolution of various water related claims from the emergency fund to be used for approved Indian water settlements. The Tribe is concerned that the Department of Interior has not made the Blackfeet settlement a sufficient priority in order to address funding issues related to Blackfeet settlement that will allow for administrative support of congressional legislation. It would be helpful to move the Blackfeet settlement forward.

2. **PUBLIC SAFETY INFRASTRUCTURE:** *Blackfeet Public Safety and Justice Infrastructure-Browning (Bureau of Indian Affairs) Correctional Facility, Blackfeet White Buffalo Home Youth Detention Center Facility, Justice Cultural Center Facility and Homeland Security*

   A. Blackfeet Department of Public Safety and Bureau (of Indian Affairs) Law Enforcement Services

The Blackfeet people have paid the extreme price at the cost of law enforcement services and its lack of protection, thereof. Briefly, in 2003, the Bureau of Law Enforcement Services strategically designed a hostile take over through re-assumption of duties and responsibilities of Blackfeet Tribal Law & Order; now referred to as the Blackfeet Department of Public Safety. Promises of more improved services, more money, efficiency, with more protection reverted to an increase in public risk on the Blackfeet reservation, however. The crime statistics, if even attainable, are unforgiving on the reservation. After five years of BLES law and order, many stories have been written about our lawlessness nation and as recent as January 4, 2009 in one of Montana's leading newspapers, the *Great Falls Tribune.* Numerous unsolved crimes occur daily on our reservation from the very lowest misdemeanor offenses to the major serious felonies. Yet day after day, we are placed in a political straight jacket when it comes time for the BIA's Law Enforcement Services Division to address and act in a timely matter. The Blackfeet created its own Department of Public Safety in 2007 to address the growing crime and public safety need on the reservation. Funding is needed to continue to expand this operation and to separate completely from the Bureau's Law Enforcement Division. BLE never kept one promise. In fact, the largest number of officers that they provided us with is seven officers to patrol and provide protection to over thirteen thousand people covering 1.5 million acres of Blackfeet land. In addition, many of the officers are not from the area and are therefore unfamiliar with the landscape, taking hours to respond to calls that are sometimes a block away from the jail.

B. Correctional Facilities

Our Montana Congressional Leaders have promised us new correctional facilities for adults and juvenile correction complete with a justice and culture center to house our tribal and traditional court programs for the past twenty-five years. Our adult correctional facility is overcrowded and for a number of years and has been condemned. Our youth detention facility, the Blackfeet White Buffalo Home Detention (BWBHYD) Facility, is now closed and services turned over to the Bureau Social Services Programs because of the deterioration of the facility and lack of funding as promised by the Bureau of Indian Affairs. We can assert from Blackfeet Country with confidence that we are far worse off under BLE management than we were under the management of tribal control. We have enough statistics, unsolved crimes and a fearful population to prove it. Our living standards should be equal to those of other U.S. citizens of this country. We strongly assert that the Blackfeet people can no longer tolerate a nation without laws and public safety. We urge you to support our request of $15 million to construct a culturally appropriate Blackfeet Justice Center that can adequately house a section for adults, separate section for juveniles with adequate space to house our tribal adult, youth and family courts. This project has been ready-to-go for several years.

As described earlier, the Blackfeet White Buffalo Home Youth Detention Facility is one such youth program where the money to mange it never followed the contracted services from the Bureau of Indian Affairs, Law Enforcement Service Division. As a result, the Blackfeet Tribal Business Council was forced to retrocede the youth center back to the bureau because the Blackfeet Tribe cannot afford to administer it effectively without any funds to do so. Promises by the Interior Department's Law and Order Enforcement Services have never materialized. On several occasions, Blackfeet leaders have met with many agencies and congressional leaders to address this dire funding situation of our Blackfeet youth, to no avail. Sadly, some juvenile crime is on the rise, but for the most part, many juveniles are considered status and truant offenders. Quite seemingly, the only remedy for even these minor, status offensives, force our youth to be bused and transported hundredths of thousand of miles away from the reservation and their families. Sometimes, many youth are transported as far away as Oklahoma. Even more detrimental, some status offenders are put in the more serious institutions in Montana known as the Pine Hills Youth Correctional Facility in Miles City. These displacements pose a greater hardship on our Blackfeet families, but a more serious problem for our youth when they are released. Consequently, we request that funding is provided to construct a youth corrections facility so that our juveniles' needs can be culturally addressed in a manner that is based on Blackfeet tradition and values. If separate funds are needed from those described above, a construct and build design is shovel ready at an estimated cost of $7 million dollars with the Department of Justice.

C. Homeland Security

The Blackfeet reservation is one of three tribes in the United States that shares an international border. The Blackfeet reservation has over seventy miles of unprotected international border that it shares with Canada. The Blackfeet Tribe provides the majority of the funding for this security protection and recently submitted applications to secure more funding. The Tribe's Homeland Security Department has been overlooked for funding for the past several years. In fact, the bulk of federal money is disbursed to the State of Montana in the millions of dollars. Even though the Tribe requests financial assistance from the state fund, we do not receive any. Therefore, the Blackfeet Tribe is requesting a separate allocation of Home Land Security funds as the direct source for management. The Blackfeet Tribe and Glacier National Park receive over 2.1 million visitors each year with modest increases projected at 20% visitors. Hence, the Tribe carries the extreme burden of providing security to this border. This project is ready with limited personnel. It is estimated if fully funded that we can hire approximately 26 more security officers. Many of which have trained in Arizona with the Shadow Wolves and all of them have been law enforcement trained and certified. Homeland Security will immediately employ 14 field officers with 6 support staff. Equipment and aircraft surveillance funding will be an on-going chase with federal agencies.

3. **HEALTH FACILITIES AND TREATMENT CENTER MODERNIZATION AND CONSTRUCTION**: *Blackfeet Elderly Care/Dialysis Center at Browning and Heart Butte Elderly Center Communities*

Nearly eight million dollars is needed to construct an elderly care center with a dialysis unit in the community of Browning to provide services to our aging population, to manage the care of a 35 patient bed and dialysis patients. The Heart Butte community center provides food and other elderly services in an old, dilapidated building that is in need of electrical and modernization repairs. It was built in 1924. These projects may qualify for tax exempt bond issuance or other creative finance strategies. The Blackfeet Elderly Care Center is a sustainable but not profitable enterprise that can benefit from Medicaid and Medicare recipients. Limited access to capital market creates a burden for the Tribe. The current Blackfeet elderly care is deteriorating and is not located by our Community Hospital, creating inefficiencies for our emergency management teams and health care providers. Land, however, has been secured by the Tribe to locate a new elderly care center by the Blackfeet Community Hospital. Funding sources of loans and grants are identified and it is also a shovel ready project, estimated at eight million dollars. Preliminary costs were projected in 2005 and would need to be re-engineered to reflect 2009 construction prices, however. The current facility employs 25 health care providers and administrators.

4. **INDIAN LAND CONSOLIDATION PROGRAM:** *Blackfeet Land Fractionalization Program*

Our land determines who we are as a people. We are requesting that funds be made available to our Tribe to purchase fractionalized land. The Blackfeet should have the authority for self-management so as to maintain its status self-governing tribe. It is essential to our sovereignty that the Blackfeet Territory remains with our membership or Blackfeet individuals. We are burdened with more fractionalized land due to inferior policies within the Department of Interior such as the Indian Land Consolidated Act and American Indian Probate Reform Act. Fractionated land and ownership has created disputes within Glacier County and those disputes have prohibited our members from efficient use and economic gain of managing their own land. Restoration of Blackfeet land is a constant and essential priority as it is part of our own tribally based economic recovery plan. Our agricultural economy is the largest growing sector on the reservation, which is about 51% of our tribal economic base. As one of the largest land based tribes in the United States at 1.5 million acres, we are requesting a portion of the $50 million from the Department of Interior to re-purchase our land and exclude it from Glacier County. The Blackfeet Tribe is the largest land owner in Glacier County to end the century old dispute over taxation and property values on the reservation.

5. ACCESS TO CAPITAL & CREDIT FOR TRIBAL GOVERNMENTS- *Ready to go tourism projects that lack capital.*

A. *Blackfeet Tribal Campground Enterprises*

Rehabilitation of three (3) tribally owned campgrounds located in the valley of Saint Mary and near Glacier National Park on the Blackfeet reservation is needed to ignite the Blackfeet Tourism industry. Estimated cost of the proposed project is between $30 to $60 million dollars that includes renovation, rehabilitation and expansion of the campgrounds for modernization, built green with wind and solar combined for efficiency. The Tribe joined partnership with private investors, HBSME, owners of St. Mary's Lodge and Resort, in 2008 to embark on the tourist trade in Glacier National Park. Jointly, the tribe and their partners developed an economic development package prepared for the BIA Loan Guarantee Project to begin the construction this spring. Due to limitations with the money allocations for the Montana or western region, for the BIA Loan Guarantee Project, we do not know where the project stands. This venture will immediately create over 100 new jobs. Over half of which will be full time hospitality management and higher paying positions for a year round destination resort in St. Mary. The Tribe recently scaled back from the original request for a capital improvement plan on all three campgrounds and resolved to bargain with the BIA Loan Guarantee Program, the lower end of the package. Thus, the needed $30 million is project ready and we can begin with at Chewing Blackbone in Campground in St. Mary. All plans, feasibility studies and NEPA requirements are conducted for that campground ready project.

B. *Blackfeet Village*

The Blackfeet Village, hereinafter to referred to as "The Village," is set up as an authentic Native American Blackfeet Village, approximately twelve miles east of Browning on the US Highways 2 & 89, toward East Glacier, which is the eastern entrance to Glacier National Park. The range is the site of Blackfeet buffalo herd. This business project is ready to go, having received $340,000 from the Intertribal Bison Cooperative to begin marketing buffalo jerky products locally and around the state of Montana. The second phase of the project which builds the "village" needs approximately $900,000 in start-up capital. Start-up costs for capital include mobilization, utility infrastructure, turn-out from highway for road paving access and personnel. It will immediately employ 5 people. This is tourism venture is a sustainable business that is growing on the eastern front of the reservation. Lacking is capital to complete the second phase of the project. The Tribe could consider the USDA Pilot Loan Program for Business & Industry if funds are allocated or other grant and loan sources available to Indian tribes.

6. MULTI-PURPOSE CULTURAL CENTER

The Blackfeet Tribe and Community College prepared a grant proposal to a federal source to build a multi-purpose cultural center for the reservation. If awarded, the center is to be located on the college campus in Browning. The center will include energy efficiency schematics that utilize both wind and solar source to help sustain it. Several building on the campus are using green energy. The training center is an identified needed on the reservation because the community lacks space educational development, cultural development, job training, emergency response crews, FEMA, dispatchers, hot shot fire fighters. A space in the facility for a Cultural center is needed because we have outgrown our homes to conduct ceremonial events. This project is shovel ready that will create construction jobs, job training opportunities for the vocational education and building trades students. The grant is written for 1.1 million dollars.

This proposal describes the many projects and programs that create jobs, help stabilize our economy in the short and long term and allows for outside investors to look at the reservation seriously for reinvestment opportunities. The Tribe respectfully submits this proposal to you for your serious and favorable consideration of any money recovered in the stimulus plan.

CHAIRMAN
John A. Barrett

SECRETARY-TREASURER
D. Wayne Trousdale

CITIZEN POTAWATOMI NATION

January 19, 2009

President Barack Obama
The White House
1600 Pennsylvania Avenue
Washington D.C. 20500

Re: "Economic Stimulus and Job Creation in Indian Country"

Dear President Obama

The Citizen Potawatomi Nation offers you its warmest congratulations on your historic election to the presidency of the United States. We are very excited about the opportunities your administration will bring. As the chief elected official of the Citizen Potawatomi Nation, I am hopeful that the American Economic Recovery Act proposed by your administration will address the serious economic needs of Tribal governments. Tribal communities are America's most economically disadvantaged communities and as such are the most vulnerable to the current economic crisis. Tribes should not be carved out and excluded from legislation designed to lift up the economy of the entire nation.

Tribal governments are not political subdivisions of state and local governments. The Constitution of the United States recognizes the sovereignty of Indian nations and establishes the Federal-Tribal government-to-government relationship through the Treaty and Indian Commerce Clauses. While certain that your administration will continue to honor this relationship, I am optimistic that your administration will include tribes in a meaningful and appropriate manner where the American Economic Recovery Act is concerned and respectfully request that Indian country be ***directly*** included in the economic stimulus and other initiative funding in order to bring Indian country to the same level of prosperity the rest of the Nation enjoys in health care, sanitation, education, housing, infrastructure, energy, and safety. The Federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. Pass-through funding ***will not reach Indian country*** and undercuts the United States' government-to-government relationship with Indian tribes. ***Tribal governments must be explicitly incorporated into the American Economic Recovery Act.***

On behalf of the Citizen Potawatomi Nation, I submit the following Tribal priorities that will promote economic growth and job creation in our community through the upcoming American Economic Recovery Act. The American Economic Recovery Act is an opportunity to not only provide much needed capital for programs and projects that are ready-to-go in Indian country, but is also an opportunity to improve program effectiveness and efficiency by providing technical changes for programs targeting community development.

- **Contract Support Costs:** $285 million covering shortfalls for essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with Indian Self-Determination Act (ISDA) contracts with the Bureau of Indian Affairs. The direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thereby expanding local employment and service delivery in our communities. The transfer of essential government operations serving tribal communities from the IHS and BIA results in increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

- **Indian Reservation Roads:** $604 million for Reservation Roads and Transportation Infrastructure for those projects that are ready-to-go. The BIA reports a $12 billion backlog in construction for Indian road projects.

- **Housing:** After careful review and analysis of project information, the National American Indian Housing Council ("NAIHC") has determined that there are $1.6 billion in "shovel-ready" projects involving housing and related projects that can and should be funded in the Economic Stimulus Plan.

- **Healthcare Services and Infrastructure:** The Tribe supports the National Indian Health Board request for $200 million for contract health services, $150 million for health information technology, and $850 million for healthcare and sanitation facility construction, maintenance, and improvement. Additionally, the Citizen Potawatomi Nation requests $500 million for the Indian Healthcare Improvement Fund that provides "catch-up" funding for those clinics and hospitals most in need. The impact of low funding for Indian country is severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending).

- **Energy, Telecommunications, Public Safety, and Justice:** The Bush administration has either cut funding or done precious little for Indian country in these areas. $1.68 billion is needed for Public Safety programs and infrastructure along with $220 million for telecommunications access and emergency management infrastructure.

- **Guaranteed Loan and Surety Bond Program:** The Citizen Potawatomi Nation, along with NCAI requests a $148 million infusion in this important BIA program in order to support Indian businesses.

In addition to providing targeted infrastructure funding to stimulate tribal economies, your administration has the opportunity to improve program effectiveness and efficiency with little or no additional financial burden on the federal government by implementing changes in policies and programs that could bring billion of dollars in private capital into Indian country.

- **Access to Capital:** Correction of the SEC oversight of not specifically including tribes as governments for purposes of regulation and consideration as qualified investors as well as policy changes to allow tribes access to the capital markets by authorizing full use of government tax-exempt bond markets is needed to facilitate inter-tribal economic partnerships and investments.

- **Perfecting Commercial Leasehold Mortgages on Trust Property**: The lack of capital investment in Indian country continues to be a primary cause of unemployment in Indian communities. If the Federal Government, as trustee of Indian lands, would guarantee enforcement of leasehold mortgages on trust property for commercial ventures in the same manner as it presently does for housing, large amounts of capital could become available for economic development in Indian Country without any additional financial burden upon the Federal Government.
- **Assignment of Claims:** Currently, the assignment of federal contracts for services to Indian tribes is not allowed. Revenues from all other types of federal contracts can be assigned, which allows those contractors to use their federal contracts to obtain financing. Federal Indian contracts are treated differently. The argument being used to disallow Indian financing is that only an Indian can deliver services under these contracts and that, therefore, their revenues are not assignable. However, we respectfully disagree with this assumption.
- **Subchapter S Corporations:** There is a critical need in Indian country for tribes to be given the opportunity to enter into mutually beneficial partnerships with their non-Indian neighbors for the economic development of their geographic regions. To be successful, these partnerships need to have the ability to take on corporate forms that are (a) familiar to non-Indians, and (b) easy to administer. The Subchapter S corporate form is ideal for this purpose. Non-Indians understand Subchapter S corporations and are familiar with the rules for doing business with Subchapter S corporations. Unfortunately, Indian tribes are uniquely prohibited from participating in Subchapter S corporations. The IRS will allow a city, or even General Motors, to participate in a Subchapter S corporation, but not an Indian tribe. The federal statutes authorizing the creation of Subchapter S corporations should be amended to allow for such ownership.

The Obama administration-Tribal government relationship began during your presidential campaign. We seek to solidify and build upon this relationship and feel that establishing a White House Tribal Government Office to work with tribes and reaffirm the status of Indian tribes as sovereign governments will provide a basis of mutual respect from which we can effect change for all people in the United States. A White House Tribal Government office would also provide a forum for open dialog, communication and exchange of ideas between the United States and Tribal governments. Furthermore, this office would be instrumental in establishing principles for Federal agencies to follow when working with Indian tribes.

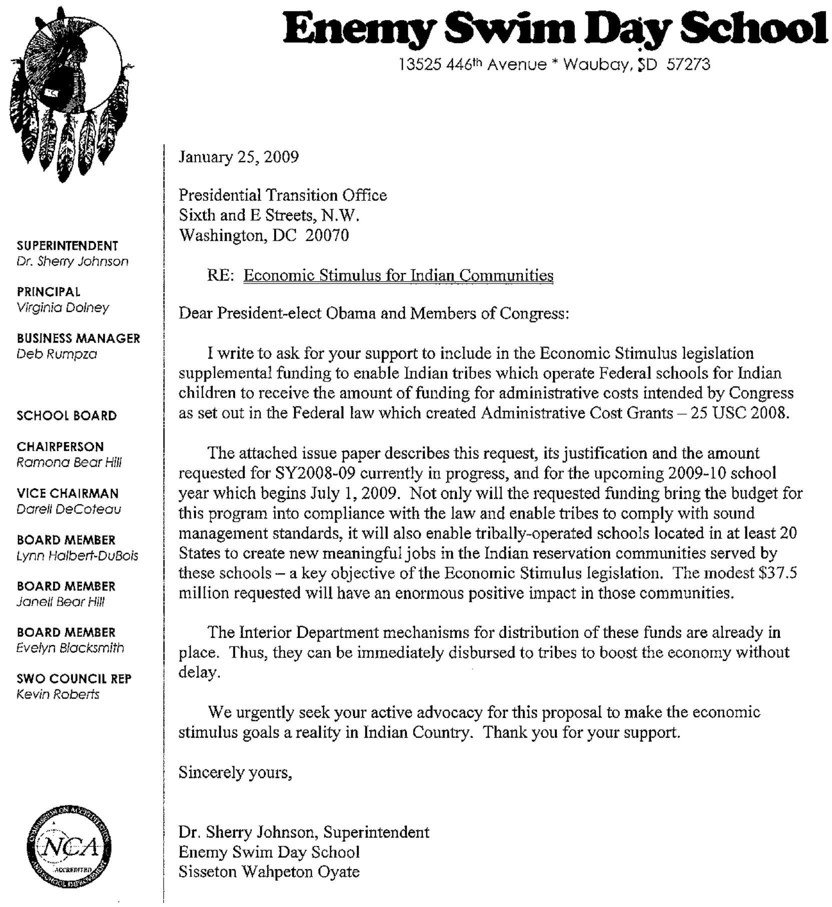
Finally, as the new administration takes office, we believe it will be necessary to move quickly to appoint new personnel who will reflect your administration's policies and the resulting changes that will be forthcoming. Time is a luxury tribal, state and local governments can ill afford in their efforts to bolster the economy and protect their people.

Thank you for your consideration. We look forward to working together for a stronger United States of America.

Sincerely,

John A. Barrett

John A. Barrett
Chairman



Enemy Swim Day School
13525 446th Avenue * Waubay, SD 57273

SUPERINTENDENT
Dr. Sherry Johnson

PRINCIPAL
Virginia Dolney

BUSINESS MANAGER
Deb Rumpza

SCHOOL BOARD

CHAIRPERSON
Ramona Bear Hill

VICE CHAIRMAN
Darell DeCoteau

BOARD MEMBER
Lynn Halbert-DuBois

BOARD MEMBER
Janell Bear Hill

BOARD MEMBER
Evelyn Blacksmith

SWO COUNCIL REP
Kevin Roberts

January 25, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

RE: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I write to ask for your support to include in the Economic Stimulus legislation supplemental funding to enable Indian tribes which operate Federal schools for Indian children to receive the amount of funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants – 25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY2008-09 currently in progress, and for the upcoming 2009-10 school year which begins July 1, 2009. Not only will the requested funding bring the budget for this program into compliance with the law and enable tribes to comply with sound management standards, it will also enable tribally-operated schools located in at least 20 States to create new meaningful jobs in the Indian reservation communities served by these schools – a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have an enormous positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost the economy without delay.

We urgently seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Dr. Sherry Johnson, Superintendent
Enemy Swim Day School
Sisseton Wahpeton Oyate

Ewiiaapaayp Tribal Office
Ewiiaapaayp Band of Kumeyaay Indians
4054 Willows Road · Alpine, CA 91901

January 14, 2009

President-Elect Barack Obama

c/o Robert Nabors, Economic Policy Team
Jason Furman, Economic Policy Team
Wizipan Garriott, First Americans Public Liaison
David Hayes, Energy and Natural Resources Team
Keith Harper, Energy and Natural Resources Team

Presidential Transition Office
Sixth and E Streets, NW
Washington, D.C. 20270

RE: Indian Country Inclusion in the American Economy Recovery Act

Dear President Elect Obama:

As the duly elected and installed Chairman of the Ewiiaapaayp Band of Kumeyaay Indians (the "Tribe"), I am acutely concerned that the American Economy Recovery Act proposed by your administration may not meet the serious economic needs of tribal governments.

State governments have identified specific infrastructure and capital needs that will help them during this difficult economic crisis. Tribal governments, working together through the National Congress of American Indians ("NCAI"), have also identified shovel-ready infrastructure projects that will create much-needed jobs on reservations. The NCAI proposal would also enable tribes to fully access existing capital sources to fully participate in rebuilding our infrastructure and economy.

Indian reservations are America's most economically disadvantaged communities and most vulnerable to the current economic crisis. Reservations should not be carved out and excluded from legislation designed to lift up the entire economy.

Tribal governments are not political subdivisions of State and local governments. They have completely different funding streams that do not pass through states. As such, tribal economies and governments must be explicitly incorporated into the American Economic Recovery Act.

The NCAI plan will immediately stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. To ensure tribal government inclusion, NCAI supports the following $5.4 billion American Indian recovery plan:

- $604 million for Reservation Roads and Transportation Infrastructure

- $205 million for 21st Century Green Schools Rehabilitation and Construction
- $1.04 Billion for Clean Water, Waste Treatment and Irrigation Infrastructure
- $15 Million for Energy Independence Development, Efficiency and Reliability Program
- $370 Million for Health Facilities and Treatment Center Modernization and Construction
- $220 Million for Telecommunications Access and Emergency Management Infrastructure
- $1.68 Billion for Public Safety Infrastructure
- $966 Million for Housing Relief Rehabilitation and Construction Program
- $400 Million for Indian Lands Consolidation Program
- $148 Million for Guaranteed Loan and Surety Bonding Program
- $25 Million for USDA Loan Program Expansion for Business & Industry

The Tribe also submits its request for economic development funding to provide our first ever and desperately needed economic development on the Ewiiaapaayp Indian Reservation. In addition, I submit a summary of the Tribe's recommendations for policy and legislative initiatives that would stimulate both tribal economies and their regional economies. The Tribe will make available to you detailed information on each of the recommendations contained in the summary at your request. Finally, I submit the Tribe's recommendations on taxation policy and legislative initiatives that would, without the need for new appropriations, stimulate tribal economies that their regional economies.

In addition to providing targeted infrastructure funding to stimulate tribal economies, tribes also need to access the capital markets by authorizing full use of government tax-exempt bond markets, and to facilitate inter-tribal economic partnerships and investments, the SEC should correct the oversight of not specifically including tribes as governments for purposes of registration and consideration as qualified investors. Additional legislative fixes are outlined in the "Access To Capital" section.

As you are aware, the U.S. constitution recognizes the distinct nature of tribal governmental political structures. The federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. I am asking that the administration honor our government-to-government relationship and include tribes in a meaningful and appropriate manner.

Should you have any questions, please contact the Tribe's CEO, Mr. William Micklin, at (619) 445-6315 (office) or (619) 368-4382 (mobile) or wmicklin@leaningrock.net. Thank you.

Sincerely,

Robert Pinto Sr.

Robert Pinto Sr.
Tribal Chairman

Ewiiaapaayp Band of Kumeyaay Indians

4054 Willows Road · Alpine, CA 91901

EWIIAAPAAYP BAND OF KUMEYAAY INDIANS ECONOMIC RECOVERY LEGISLATION REQUEST OFFERED TO THE OBAMA TRANSITION TEAM INTERIOR AND ENERGY POLICY COMMITTEE

Ewiaapaayp Band of Kumeyaay Indians

Robert Pinto Sr., Chairman
Michael Garcia, Vice Chairman
William Micklin, CEO

December 29, 2008

INTRODUCTION

The Ewiiaapaayp Band of Kumeyaay Indians is a federally recognized Indian tribe listed in the Federal Register (Vol. 72, No. 55/Thursday March 22, 2007/Notices, pg. 13649), with its Indian Reservation lands established in the 4,542.13-acre "East" Ewiiaapaayp portion of the Ewiiaapaayp Indian Reservation and in the 10.02-acre portion of its "West" Ewiiaapaayp portion of its Reservation. The Tribe requests appropriations in economic recovery legislation for two "spade ready" infrastructure projects that support tribal and regional population healthcare, create regional jobs, and provide for the Tribe's first ever economic development.

ECONOMIC RECOVERY LEGISLATION REQUEST

Healthcare Facility Replacement. (1) The Tribe requests an appropriation of $15.25 million for construction of a replacement of a 22-year old healthcare facility currently operating on the Tribe's West Ewiiaapaayp Reservation that would provide improved and expanded space for the existing inter-tribal facility at below market lease rent and provide immediate economic development for the Tribe through rent from and equity interest in the two other health services tenants: (i) a non-human stem cell research enterprise focused on cardiac and diabetes treatment; and (ii) a medical body scan diagnostic enterprise. The replacement healthcare facility necessary for these three tenants will require a 25,000 square foot facility, which, at $600 per square foot construction costs, will require $15 million for build-out, plus an additional $250,000 for renewable energy technologies. The new healthcare facility will provide healthcare services to 7 local tribes and the general public in east San Diego County, much needed jobs in east San Diego County, and the first ever economic development for the Ewiiaapaayp Band.

Tribal Housing Replacement. (2) The Tribe requests an appropriation of $550,000 (added to the Tribe's contribution of $150,000) for replacement of dilapidated tribal housing on the East Ewiiaapaayp Reservation that also includes replacement of unusable septic systems, and the communal well and its solar panels that are in disrepair. No utilities exist on the Reservation.

SPADE READY PROJECTS

Both projects are ready to go, with all required environmental assessments completed for the building sites, have design plans completed, and are "spade ready" for building once funds are received.

Forest County Potawatomi Community
P.O. Box 340, Crandon, Wisconsin 54520

POTAWATOMI
(Keeper of the Fire)

12 January 2009

The Honorable Byron L. Dorgan, Chairman
Senate Indian Affairs Committee
838 Hart Senate Office Building
Washington, D.C. 20510

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Forest County Potawatomi Community I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the

ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

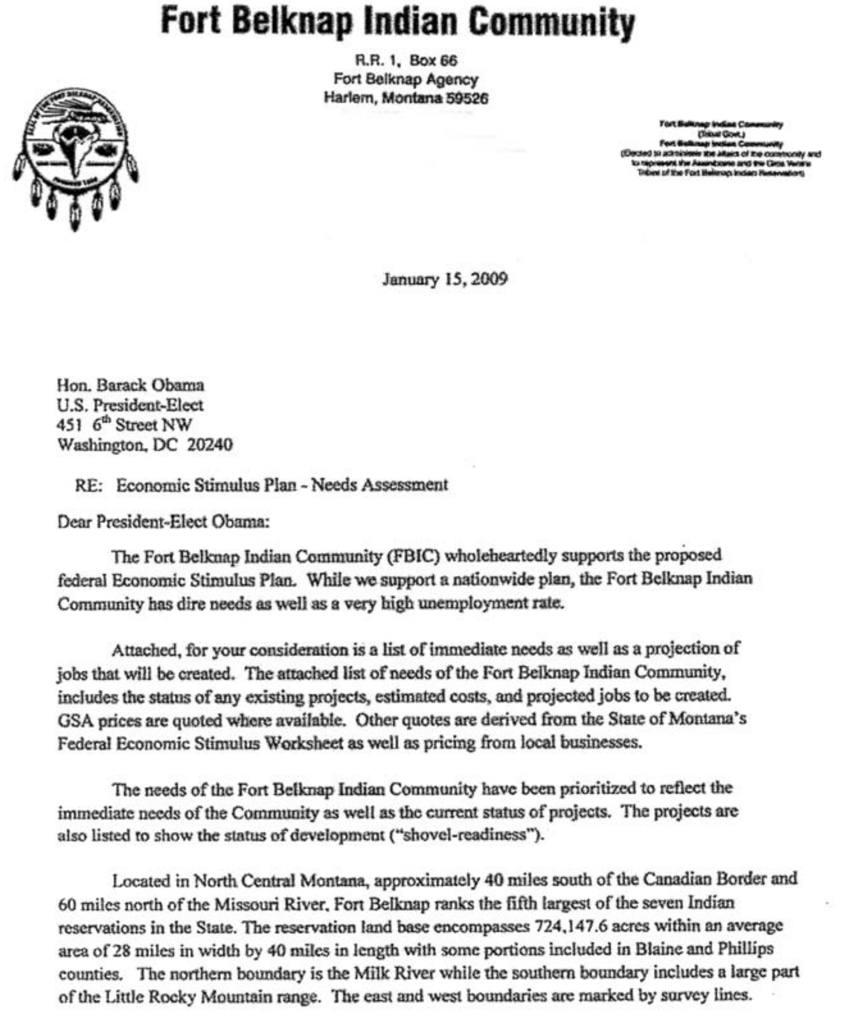
I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me, Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Philip Shopodock

Philip Shopodock
Chairman, Forest County Potawatomi Community



Fort Belknap Indian Community

R.R. 1, Box 66
Fort Belknap Agency
Harlem, Montana 59526

Fort Belknap Indian Community
(Tribal Govt.)
Fort Belknap Indian Community
(Elected to administer the affairs of the community and
to represent the Assiniboine and the Gros Ventre
Tribes of the Fort Belknap Indian Reservation)

January 15, 2009

Hon. Barack Obama
U.S. President-Elect
451 6th Street NW
Washington, DC 20240

RE: Economic Stimulus Plan - Needs Assessment

Dear President-Elect Obama:

The Fort Belknap Indian Community (FBIC) wholeheartedly supports the proposed federal Economic Stimulus Plan. While we support a nationwide plan, the Fort Belknap Indian Community has dire needs as well as a very high unemployment rate.

Attached, for your consideration is a list of immediate needs as well as a projection of jobs that will be created. The attached list of needs of the Fort Belknap Indian Community, includes the status of any existing projects, estimated costs, and projected jobs to be created. GSA prices are quoted where available. Other quotes are derived from the State of Montana's Federal Economic Stimulus Worksheet as well as pricing from local businesses.

The needs of the Fort Belknap Indian Community have been prioritized to reflect the immediate needs of the Community as well as the current status of projects. The projects are also listed to show the status of development ("shovel-readiness").

Located in North Central Montana, approximately 40 miles south of the Canadian Border and 60 miles north of the Missouri River, Fort Belknap ranks the fifth largest of the seven Indian reservations in the State. The reservation land base encompasses 724,147.6 acres within an average area of 28 miles in width by 40 miles in length with some portions included in Blaine and Phillips counties. The northern boundary is the Milk River while the southern boundary includes a large part of the Little Rocky Mountain range. The east and west boundaries are marked by survey lines.

There are three distinct rural communities within the reservation boundaries. The Fort Belknap Agency is the headquarters of the Fort Belknap Tribal Government, Bureau of Indian Affairs, Fort Belknap College and Indian Health Service. Fort Belknap Agency is located in the northern part of the Reservation approximately 3 miles south of the city of Harlem, Blaine County, on U.S. Highway 2. The Hays and Lodge Pole communities offer satellite Tribal Government central administration offices and are located in the southern portion of the reservation. Hays is 35 miles south of the Fort Belknap Agency and Lodge Pole is 47 miles south of the Fort Belknap Agency. It is estimated that approximately 35 percent of the population reside in Hays/Lodge Pole areas and 55 percent reside by the Fort Belknap Agency area and along U.S. Highway 2.

There is a combined enrollment of 6,580. FY 2000 Census data and BIA Labor Force Report the following population comparison between the Fort Belknap Indian Reservation, the two counties surrounding the Reservation and the State of Montana. However, as of October 2008, the Bureau of Indian Affairs, Fort Belknap Agency Tribal Enrollment data reflects a total tribal enrollment population count of 6,580. Many tribal members do not live on Fort Belknap Indian Reservation, but reside in neighboring towns of Harlem, Chinook, Malta, Dodson and Havre. This is due to a lack of available housing on the Fort Belknap Indian Reservation. The median household income for the FBIC is $21,458 per annum, the second lowest level of the seven Indian reservations located within Montana.

The needs of the Fort Belknap Indian Community are basic: safe and adequate housing; safe drinking water; emergency preparedness and response. Existing resources and programs are overworked: FBIC has a voluntary firefighting program (causing insurance to be unobtainable); safe drinking water is not available throughout the FBIC, including the area where tribal governmental offices as well federal governmental and health offices and housing is located. H Pylori is a common and re-occurring stomach ailment reservation wide. Water is accessed in the outlying communities through a fire hydrant. If the hydrants are not properly turned off, the equipment is ruined and water is wasted. A water treatment plant and outlying water distribution centers would greatly alleviate the water shortage and health issues.

Although the Indian Health Service has an ambulance, there is a need for additional services: recently, an injured person had to be transported to the clinic by personal vehicle because the ambulances were in use elsewhere. Seriously injured or ill patients have to be transported either 150 miles to Great Falls or 220 miles to Billings, MT, one-way. Dialysis patients must travel at least 90 miles one-way for services.

Currently, there are 909 houses in need of basic rehabilitation. Additionally, there is a need for at least 112 additional housing units. Weather conditions contribute to unhealthy housing environments. Homelessness results in multiple families living in one unit. Overcrowding comes with its own set of problems.

Another grave issue is garbage collection and recycling. Garbage collection is supplemented by volunteers who take personal vehicles when needed to collect and transport garbage. Currently the FBIC has to haul trash 50 miles one-way to Havre, MT in trucks that were designed for short distances. There is only one truck available to transport 3-4 tons of waste.

In addition to those areas listed, there are other areas of concern, both for basic services and employment opportunities. The Head Start program, and education programs in general, is in need of additional funding to ensue the health and safety of our future. Education is an on-going process, and a solid foundation is integral to the future of individual members and the FBIC as a whole.

Child care centers are a crucial first step to building a solid and successful future. FBIC's goal is to establish child care centers in each community with the reservation. This would also benefit the young parents by allowing them to pursue an education. Also, working parents would be able to pursue both an education and full-time employment. Such centers would also create economic opportunities, both in the building and operation of the child care centers. But most importantly, the children will benefit.

The Fort Belknap Credit Program has an excellent record for paying its annual payment to the US revolving loan program. The Indian Finance Act of 1974 as amended, provides funding of grants under the Indian Business Development Grant Program for American Indians who cannot obtain financing through commercial banks due to insufficient collateral. Assets pledged by American Indians are located on trust lands. Because of the trust status, commercial banks will not accept trust lands as collateral. If the Indian Business Development Grant Program was to be re-funded, Indian borrowers would be able to utilize the grant funds as a "down payment" for a business loan with commercial lenders. This would allow for numerous agricultural loans with Farm Credit Service and lending institutions, as Farm Credit Services will accept real estate mortgages on trust lands. The ability to access funding is a necessary aspect of the success of individual business owners.

Energy costs are rising constantly, not to mention the environmental impacts. Renewable energy is a no longer an option, but must become a way-of-life, especially in remote areas.

The attached FBIC economic stimulus needs assessment was drafted to reflect the immediate needs of the Fort Belknap Indian Community. The list is not a 'wish list' of wants, but a list of needs that will bring the services to a level of 'adequate' or 'normal'. Costs were kept as conservative as possible. The list was developed to include projects that FBIC has done various levels of groundwork, including planning and development, but does not have the financial capability to bring to fruition. They are "shovel-ready" and show an investment and commitment from the FBIC.

While we understand that there is a firm policy against the inclusion of 'earmarks' being attached to proposed legislation, most of the projects have been partially funded by federal agencies. We therefore request that if monies are to be appropriated through federal agencies, additional monies should be given with the specific intent of assisting Indian country. Monies identified for Indian tribes should not be included in any state appropriation as Indian Country has unique and dire unmet needs. Instead, Indian tribes should be treated as state governments for purposes of distribution of stimulus appropriations.

On behalf of the Fort Belknap Indian Community, I would like to extend our appreciation to you for this vast undertaking to assist all Americans, including the first Americans. Thank you in advance for your time and consideration of our needs and concerns. We are available to answer any questions you may have or provide more detailed information at your request.

Sincerely,

Julia Doney

JULIA dONEY
President

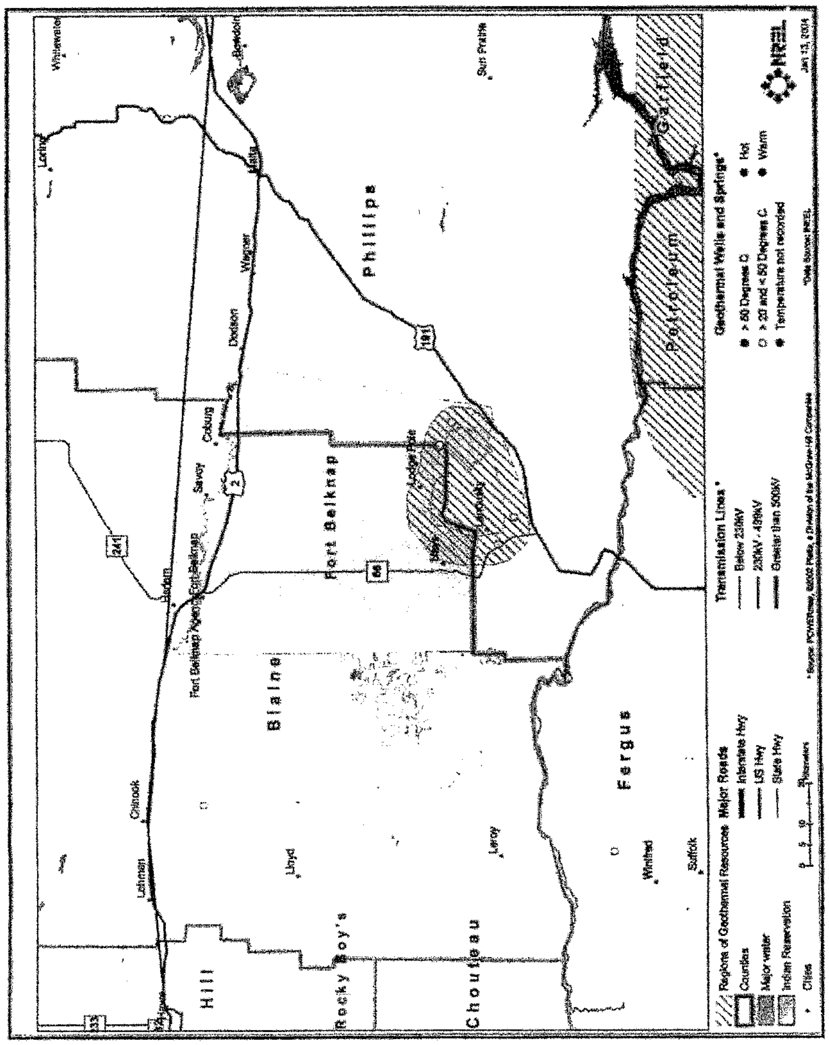
FORT BELKNAP INDIAN COMMUNITY

Economic Stimulus Projects

Project Name/Description:	Est. Cost to Complete:	Funds Secured/ Invested:	Est. Wkforce	Planning/Design (% Complete) Shovel Ready	Time Frame:	Sustainable Jobs:	Notes:
INFRASTRUCTURE PROJECTS:							
Housing/Construction	33,600,000	300,000	40-50	90%	90-120 60-90	10	New Construction: 150 sq. ft. x 2000 sq. ft. = $300,000/House (112 units) = 33,600,000
Student Housing:	765,000		20-30	50%	90-120	10	Tribal College dormitory
Housing Re-Hab:	72,720,000	2.5 Mil.	60-70	100%	0-30	20	909 needing Re-Hab 80,000(909) = 72,720,000
Water Treatment Plant	2.5 Mil.	4.2 Mil.	30	100%	0-30	12	Project Shortfall due to the National Economic Situation
Tribal Transportation Infrastructure Construction Projects:							
Project No. C5530540 - Three White Cow	2.7 Mil.	200,000	24	100%	0-30	20	procurement of a staging area and a borrow source for earth materials.
Project No. C5550610 - Lodgepole Bikepath	534,000	90,000	24	90%	0-30	20	NEPA and ROW compliance does needed.
Project No. C5540520 BIA Rte 18.	1,846,000	133,000	24	90%	0-30	20	Length: 3.5 miles. Near final stages of design and NEPA requirements are moving along expeditiously.

Tribal Transportation Infrastructure Maintenance Projects:							PS&E assemblies for a number of chip seal projects throughout the reservation
Project No. C5560610	$2.6 Mil	200,000	15	90%	0-30	10	93.7 Miles: PS&E assemblies for a number of chip seal projects throughout the reservation
Indian Health Service: Staff Quarters	3.5 Mil.	7.0 Mil.	40	100%	0-30	15	IHS Study indicates that Fort Belknap needs 29 units due to Economic Situation funds will complete 15 units
Irrigation Project	10 Mil	900,000	30	100%	30-120	5	10,000 acres, $1,000/acre
Detention/Treatment Center	30 Mil.	1.1 Mil.	50-60	90%	90-120	40-60	Adult/Juvenile Center, this will be a Green Building Project
Forestry Fuel Reduction	1,258,236	188,000	100	100%	0-30	5	Wildfire Prevention 5 crews-20/ea
Renewable Energy Projects:							750 kw Turbines
Wind Development Solar	2 Mil.	100,000	40	50%	90-120	20	Avg. Annual Wind Speed, 14.9 mph. Would power new housing sub-division & water plant by renewable energy. Feasibility Study complete.
Child Care Centers:	2.5 Mil.	300,000	25-35	90%	90-120	36	3-Centers Needed New Construction: 40' X 60' = 2,400 sq. ft. ($150 sq. ft) = $360,000/ea.
Dialysis Center	2.5 Mil.	10,000	20-30	75%	90-120	10	2-Centers Needed New Construction: 40' X 60' = 2,400 sq. ft. ($150 sq. ft) = $360,000/ea.
Reservation Boundary Cadastral Survey	75,000	5,000	20	80%	0-30	5	Fencing Project: 189.02 miles

Lodge Pole Community Hall Restoration	750,000	26,000	15	90%	0-60	4	Renovation of Historic Building
Satellite Offices, Road Maintenance.	1 Mill.						2-Office for Road Maintenance and Storage of Snow Removal Equipment. 100' X 150' = 15,000 sq. ft. 300,000 + 200,000 (infrastructure) = 500,000
EQUIPMENT:							
Snow Removal Equipment	2 Mill.						3-Semi-Tractor (3-980 Loaders (3-Graders 3-Bobcats 2-Snow Blowers 3-Lowboys (30,000/ea) 90,000 6-snowmobiles
Smoke House	1 Mill.	450,000	10	100%	0-30	8	Expansion/Equipment Upgrade
TOTAL:	**$173,848,236.00**						


Hill
Rocky Boy's
Chouteau
Blaine
Fort Belknap
Phillips
Fergus
Petroleum
Garfield
Whitewater
Loring
Bowdoin
Malta
Wagner
Dodson
Cobourg
Savoy
Harlem
Fort Belknap Agency
Chinook
Lohman
Lloyd
Leroy
Winifred
Suffolk
Lodge Pole
Hays
Zortman
Sun Prairie
2
191
66
241
Regions of Geothermal Resources
Counties
Major water
Indian Reservation
Cities
Major Roads
Interstate Hwy
US Hwy
State Hwy
0 5 10 20 Kilometers
Transmission Lines *
Below 230kV
230kV - 499kV
Greater than 500kV
* Source: POWERmap, ©2002 Platts, a Division of the McGraw-Hill Companies
Geothermal Wells and Springs*
> 50 Degrees C
> 20 and < 50 Degrees C
Temperature not recorded
Hot
Warm
*Data Source: NREL
NREL
Jan 13, 2004

Kodiak
Area
Native
Association

3449 Rezanof Dr. East
Kodiak, Alaska 99615

January 12, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

I am writing to you on behalf of the Kodiak Area Native Association ("***KANA***"), an association of Alaska Native tribes and villages that was formed in 1966 as a non-profit corporation to provide medical and social services in remote communities on the island of Kodiak. The KANA service area includes the City of Kodiak and six Alaska Native villages: Akhiok, Karluk, Old Harbor, Ouzinkie, Port Lions, and Larsen Bay. KANA provides such services under a contract with the Indian Health Service (the "***IHS***") pursuant to the Title V of the Indian Self-Determination and Education Assistance Act of 1975 (the "***ISDA***").

I write to request that the proposed American Recovery Act include $285 million in shortfall funding for essential health and social services carried out under ISDA contracts and compacts between the IHS and Tribes, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs (the "***BIA***").

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Kodiak, and other parts of Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis. Moreover, the ISDA contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The inclusion of funds to correct funding shortfalls for ISDA contracts is also necessary to ensure that ISDA achieves its purpose. Despite the fact that the ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs, the gap in the payment of these costs has widened to a shocking level over the past eight years. Today, the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Not only would the requested sums correct the current funding shortfall that is being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities - but it would also permit the Tribes to further secure ISDA's basic, underlying intent to transfer from the IHS and BIA to the Tribes the day to day delivery of essential government operations serving tribal communities. No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. By correcting the current shortfall in funding, the American Recovery Act could bring economic stimulation to Indian communities in a culturally relevant way, and also result in increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Kodiak and other Native American communities. I share this belief with the National Indian Health Board and the National Congress of American Indians, each of which has endorsed the request I make herein.

In summary, I respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls. Assuring sufficient contract support funding for the health and social services provided under the ISDA is of crucial importance to Native American communities and consistent with the goals of your economic stimulation proposal. For more information, please contact me, Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, who are representing KANA and other member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240), Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), or Amber Ebarb of the National Congress of American Indians (202-466-7767).

Sincerely,

Alex Panamaroff

Alex Panamaroff Jr.
Chairperson

National Indian
Health Board

January 13, 2009

The Honorable Barack Obama
President-Elect
451 6th Street, NW
Washington, DC 20240

Dear Mr. President-Elect:

As Chairman and on behalf of the National Indian Health Board (NIHB), we congratulate you on your successful Presidential election. We look forward to working with you as you begin to implement the American Recovery and Reinvestment Plan and request that you honor the government-to-government relationship with Indian Tribes by including infrastructure funding for Indian Country.

Ensuring healthy American Indians and Alaska Natives (AI/ANs) must be at the heart of any economic recovery plan.
Through treaties negotiated with the federal government in the 18th and 19th centuries, Indian Tribes ceded over 400 million acres of land in exchange for health care for their people. The underlying basis for the Federal Government's trust responsibility to provide health care to Indians is found in the Commerce Clause of the U.S. Constitution. In a speech before the National Congress of American Indians, you recognized the government-to-government relationship when you said: *Indian nations have never asked much of the United States – only for what was promised by the treaty obligations made to their forebears. So let me be absolutely clear – I believe treaty commitments are paramount law, and I will fulfill those commitments as president of the United States.* On behalf of all Indian Nations, we implore you to fulfill the federal government's treaty commitments by including Indian healthcare specific provisions in the in the American Recovery and Reinvestment Plan.

Reauthorization of the Indian Health Care Improvement Act:
Reauthorization of the Indian Health Care Improvement Act (IHCIA) is appropriate to be included in an economic stimulus package because it provides authorities for prevention and treatment activities to ensure a healthy workforce, creates jobs, provides for infrastructure development, and expands access to safety net programs such as Medicaid and State Children's Health Insurance Program.

- **Healthy people:** The IHCIA bill provides for new authorities to improve the health care of Indian people: a healthy workforce is the foundation for any healthy Tribal economy.
- **Job Creation:** The IHCIA bill would facilitate creation of health care jobs in underserved Tribal communities which suffer from chronically high unemployment.
- **Infrastructure Development:** The IHCIA bill authorizes innovative methods for construction of health care-related and community sanitation facilities.

It is our understanding that the American Recovery and Reinvestment Plan will include certain Medicaid provisions expected to benefit State Medicaid programs. At a minimum, **Title II of the IHCIA**, which amends the Social Security Act and improves access to and enrollment of Indian people into Medicare, Medicaid and SCHIP, should be included in the plan. Due to the economic crisis in some Tribal communities, we expect an increase in enrollment in these safety net programs. Revenues generated from Medicare, Medicaid and SCHIP (IHS estimate of $780 million annually) support Tribal economies through employment of health care professionals and maintenance and renovation of health care facilities.

Healthcare funding of $1.485 Billion for infrastructure needs in Indian Country:
The NIHB supports the January 9, 2009 letter from the U.S. Senate outlining a comprehensive plan to stimulate the economy in Tribal communities by addressing infrastructure needs and the creation of jobs. At the NIHB Winter Board meeting held on January 8 – 9, 2009, the NIHB passed Resolution 2009-01, see enclosed. Consistent with the Senate request, the NIHB recommends that $850 million in health care facility and sanitation construction and maintenance and improvement; $200 million in contract health services; and $150 million in health information technology is included in the economic stimulus plan. In addition, the NIHB resolution recommends that $285 million in contract support cost (CSC) shortfall funding be included to stimulate employment opportunities in Indian Country. For every $10 million in CSC shortfall funding, it is estimated that 100 jobs and $6 million in third party revenues are lost.

CSC funding provides resources to Tribes and Tribal organizations, that operate health programs under the Indian Self-Determination and Education Assistance Act, to cover infrastructure and administrative costs associated with the delivery of health care services. Specifically, approximately 70 – 80% of CSC funding is used to pay salaries of Tribal health professionals and administrative staff. Without adequate CSC funding, Tribal health programs are forced to reduce the levels of health care in order to absorb the infrastructure and salary costs. In most instances, cutting health care services is the only alternative to financing these costs. Chronic underfunding has resulted in a substantial shortfall of CSC funding in the amount of $285 million (FY 2009 -$132 million and FY 2010 - $153 million). An influx of $285 million in CSC funding shortfall will enable Tribes to create more jobs in Indian Country.

On behalf of all 562 Indian tribes, we ask for your upmost consideration in including the IHCIA and $1.485 billion in health care infrastructure needs in the American Recovery and Reinvestment Plan.

Sincerely,

Reno

Reno Franklin
Chairman, NIHB

NORTH FORK RANCHERIA
OF MONO INDIANS OF CALIFORNIA

TRIBAL GOVERNMENT OFFICE
P.O. Box 929
North Fork, CA 93643-0929

January 12, 2009

President-Elect Barack Obama
c/o Robert Nabors, Economic Policy Team
Jason Furman, Economic Policy Team
Wizipan Garriott, First Americans Public Liaison
David Hayes, Energy and Natural Resources Team
Keith Harper, Energy and Natural Resources Team
Presidential Transition Office
Sixth and E Streets, NW
Washington, D.C. 20270

RE: Indian Country Inclusion in the American Economy Recovery Act

Dear President Elect Obama:

As an elected tribal government official of the North Fork Rancheria of Mono Indians of California, I am acutely concerned that the American Economy Recovery Act proposed by your administration may not meet the serious economic needs of tribal governments.

State governments have identified specific infrastructure and capital needs that will help them during this difficult economic crisis. Tribal governments, working together through the National Congress of American Indians, have also identified shovel-ready infrastructure projects that will create much-needed jobs on reservations. The NCAI proposal would also enable tribes to fully access existing capital sources to fully participate in rebuilding our infrastructure and economy.

Indian reservations are America's most economically disadvantaged communities and most vulnerable to the current economic crisis. Reservations should not be carved out and excluded from legislation designed to lift up the entire economy.

Tribal governments are not political subdivisions of State and local governments. They have completely different funding streams that do not pass through states. As such, tribal economies and governments must be explicitly incorporated into the American Economic Recovery Act.

The NCAI plan will immediately stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. To ensure tribal government inclusion, NCAI supports the following $5.4 billion American Indian recovery plan:

- $604 million for Reservation Roads and Transportation Infrastructure
- $205 million for 21st Century Green Schools Rehabilitation and Construction

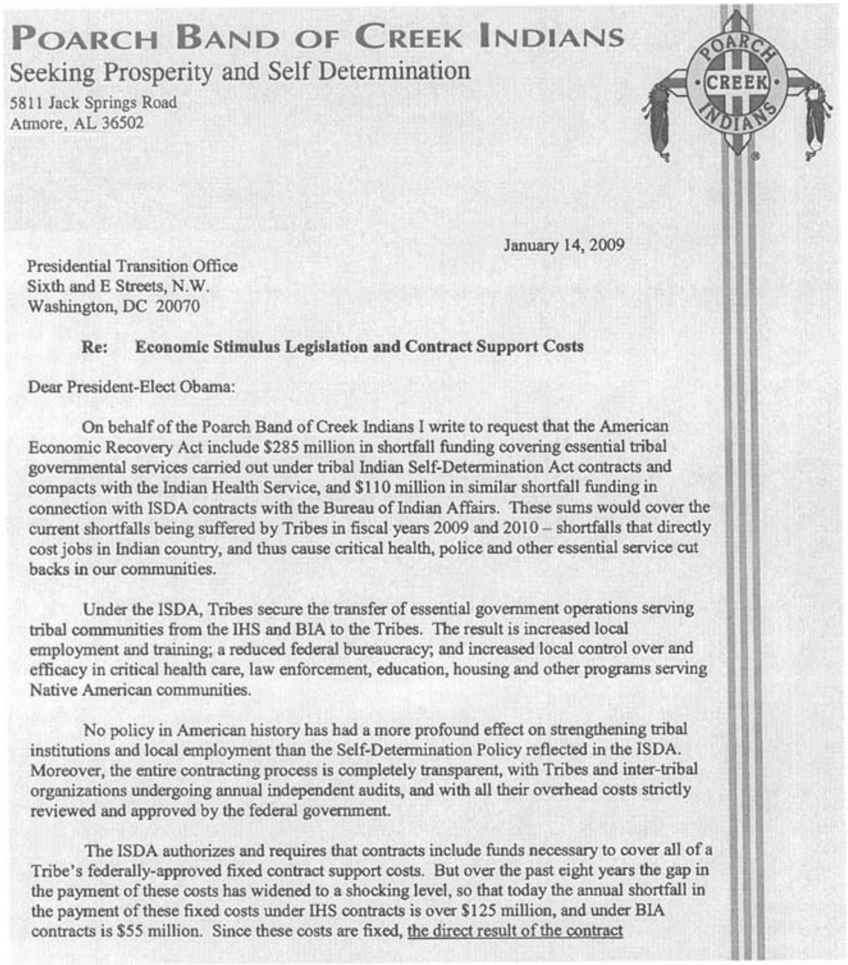
- $1.04 Billion for Clean Water, Waste Treatment and Irrigation Infrastructure
- $15 Million for Energy Independence Development, Efficiency and Reliability Program
- $370 Million for Health Facilities and Treatment Center Modernization and Construction
- $220 Million for Telecommunications Access and Emergency Management Infrastructure
- $1.68 Billion for Public Safety Infrastructure
- $966 Million for Housing Relief Rehabilitation and Construction Program
- $400 Million for Indian Lands Consolidation Program
- $148 Million for Guaranteed Loan and Surety Bonding Program
- $25 Million for USDA Loan Program Expansion for Business & Industry

In addition to providing targeted infrastructure funding to stimulate tribal economies, tribes also need to access the capital markets by authorizing full use of government tax-exempt bond markets, and to facilitate inter-tribal economic partnerships and investments, the SEC should correct the oversight of not specifically including tribes as governments for purposes of registration and consideration as qualified investors. Additional legislative fixes are outlined in the "Access To Capital" section.

As you are aware, the U.S. constitution recognizes the distinct nature of tribal governmental political structures. The federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. I am asking that the administration honor our government-to-government relationship and include tribes in a meaningful and appropriate manner.

Sincerely,

Judy E. Fink
Tribal Council Chairperson



POARCH BAND OF CREEK INDIANS
Seeking Prosperity and Self Determination
5811 Jack Springs Road
Atmore, AL 36502

January 14, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Poarch Band of Creek Indians I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me, Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Buford L. Rolin

Buford L. Rolin
Tribal Chairman

PORT GAMBLE S'KLALLAM TRIBE
31912 Little Boston Road NE • Kingston, WA 98346

Presidential Transition Office
Sixth and E Streets, NW
Washington, DC 20070

January 16, 2009

Re: Economic Stimulus Legislation

Dear President-Elect Obama:

On behalf of Port Gamble S'Klallam Tribe I am writing to ask for your support to include infrastructure funding for sovereign Tribal governments in the proposed economic stimulus legislation. Our Tribe administers many infrastructure programs and projects that are entirely separate and distinct from State government programs. Our government and many other Tribal governments serve as major engines of economic growth in our regions. Providing separate economic stimulus funding for construction-ready Tribal projects will help Tribal governments put people to work to help grow our local economies.

Tribal infrastructure improvements save lives and serve communities in some of the poorest parts of this Country, benefiting Native and non-Native peoples alike. Leaving construction-ready Tribal infrastructure projects out of the economic stimulus legislation would be extremely inefficient and would not show proper respect for the Federal principles of Tribal self-determination and self-government, which you championed so eloquently during your campaign. To quote from your First Americans policy statement, "American Indian tribal nations are sovereign, self-governing political entities much like states, and are engaged in a government-to-government relationship with the United States federal government." Consistent with your views, I urge your support for direct and targeted infrastructure spending for Tribal governments, as set out in the attached National Congress of American Indians *Indian Country Economic Recovery Plan.*

I particularly ask for your support for Tribal transportation infrastructure funding, given its critical role in all aspects of Tribal health, safety and economic development. According to the most recent BIA Relative Need Distribution Factors Report, the current construction backlog for the Indian Reservation Roads (IRR) Program is over $42 billion. As a modest effort to address this need and to provide economic stimulus within Tribal communities, I request your support for the following proposals:

- At least $310,000,000 to the IRR Program to fund construction-ready road and bridge projects in Tribal communities;
- At least $258,000,000 to the BIA Road Maintenance Program to pay for much needed deferred maintenance projects to preserve transportation infrastructure serving Tribal communities;
- At least $36,000,000 to pay for planned transit projects under the Tribal Transit Grant Program.

As a Tribal leader, I recognize and respect the difficult task you face in steering our Nation out of the difficult financial times we face. The needs for the entire Country are great, while funding is always limited. I and my fellow Tribal leaders wish to support you and your Administration during in this challenging time. Please support fair and equitable funding for Tribal infrastructure projects so that America's First Nations may play a beneficial role in creating jobs and improving our deficient infrastructure. Thank you for your support in this matter.

For more information, please contact Intertribal Transportation Association (ITA) President C. John Healy (406)353-8469, NCAI representative Gwen Salt (202)775-0393, or James Glaze and Jen Thomas (202)682-0240 of Sonosky, Chambers, Sachse, Endreson and Perry, LLP, representing the member Tribes of the Tribal Transportation Coalition.

Sincerely,

Ronald G. Charles
Tribal Chairman
Port Gamble S'Klallam Tribe

Quinault Indian Nation
POST OFFICE BOX 189 • TAHOLAH, WASHINGTON 98587

January 16, 2009

President-Elect Barack Obama
C/o Robert Nabors, Economic Policy Team
Jason Furman, Economic Policy Team
Wizipan Garriott, First Americans Public Liaison
David Hayes, Energy and Natural Resources Team
Keith Harper, Energy and Natural Resources Team

Presidential Transition Office
Sixth and E Streets, NW
Washington, D.C. 20270

RE: Indian Country Inclusion in the American Economy Recovery Act

Dear President Elect Obama:

As an elected tribal government official of the Quinault Indian Nation, I am acutely concerned that the American Economy Recovery Act proposed by your administration may not meet the serious economic needs of tribal governments.

State governments have identified specific infrastructure and capital needs that will help them during this difficult economic crisis. Tribal governments, working together through the National Congress of American Indians, have also identified shovel-ready infrastructure projects that will create much-needed jobs on reservations. The NCAI proposal would also enable tribes to fully access existing capital sources to fully participate in rebuilding our infrastructure and economy.

Indian reservations are America's most economically disadvantaged communities and most vulnerable to the current economic crisis. Reservations should not be carved out and excluded from legislation designed to lift up the entire economy.

Tribal governments are not political subdivisions of State and local governments. They have completely different funding streams that do not pass through states. As such, tribal economies and governments must be explicitly incorporated into the American Economic Recovery Act.

The NCAI plan will immediately stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. To ensure tribal government inclusion, NCAI supports the following $5.4 billion American Indian recovery plan:

- $604 million for Reservation Roads and Transportation Infrastructure
- $205 million for 21st Century Green Schools Rehabilitation and Construction
- $1.04 Billion for Clean Water, Waste Treatment and Irrigation Infrastructure
- $15 Million for Energy Independence Development, Efficiency and Reliability Program
- $370 Million for Health Facilities and Treatment Center Modernization and Construction
- $220 Million for Telecommunications Access and Emergency Management Infrastructure
- $1.68 Billion for Public Safety Infrastructure
- $966 Million for Housing Relief Rehabilitation and Construction Program
- $400 Million for Indian Lands Consolidation Program
- $148 Million for Guaranteed Loan and Surety Bonding Program
- $25 Million for USDA Loan Program Expansion for Business & Industry

In addition to providing targeted infrastructure funding to stimulate tribal economies, tribes also need to access the capital markets by authorizing full use of government tax-exempt bond markets, and to facilitate inter-tribal economic partnerships and investments, the SEC should correct the oversight of not specifically including tribes as governments for purposes of registration and consideration as qualified investors. Additional legislative fixes are outlined in the "Access to Capital" section.

As you are aware, the U.S. constitution recognizes the distinct nature of tribal governmental political structures. The federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. I am asking that the administration honor our government-to-government relationship and include tribes in a meaningful and appropriate manner.

Sincerely,

Fawn Sharp, President
Quinault Indian Nation

RAMAH NAVAJO CHAPTER

Rt. 2, Box 13 Ramah, New Mexico 87321

Roger Martinez
President

Frank E. Paul
Vice-President

Dixie Begay
Secretary/Treasurer

Tribal Office

Cecil F. Eriacho
Council Delegate
Navajo Nation Council

Roy C. Martinez
Member
Eastern Navajo Land Board

January 7, 2009

Presidential Transition Office
Sixth and E. Streets, NW
Washington, DC 20070

RE: REMOVE BIA MORATORIUM ON NEW CONTRACTING UNDER PUBLIC LAW 93-638

Dear President-Elect Obama:

On behalf of the Ramah Navajo Chapter/Ramah Band of the Navajo Tribe, I writing to request for your support to restore funding to the Department of the Interior, Bureau of Indian Affairs' Indian Self-Determination (ISD) Fund account and appropriate additional funds for Contract Support Cost (CSC) need in the economic stimulus package or in any future appropriations bill for the BIA. We request recurring appropriations for the ISD Fund in the amount of $3.0 million annually and at least $25 million in additional annual appropriations for the CSC budget. These are relatively small appropriations when contrasted with the economic stimulus proposal that was approved by Congress, but funding these BIA accounts will have a positive impact on Indian tribes and our reservation economies.

The Indian Self-Determination (ISD) Fund

The Indian Self-Determination and Education Assistance Act (ISDA), Public Law 93-638, is one of the most successful federal programs enacted for the benefit of Indian tribes and our members. The ISDA was enacted in 1975 "to respond to the strong expression of the Indian people for self-determination." It is responsible for the transfer of hundreds of millions of dollars each year from the federal government to the Tribal governments so that we may provide jobs and carry out essential program for our members.

The ISD Fund is the BIA account that pays Indian tribes 100% of CSC needs during the first year we assume a new BIA-funded program under the ISDA. CSC funds represent the administrative overhead expenses that the Secretary of the Interior is required to pay to Indian tribes under section 106(a) of the ISDA. The BIA also uses the ISD Fund to pay Indian tribes eligible pre-award and one-time start-up costs when we assume additional BIA-funded programs. The Bush Administration last requested appropriations from Congress for the ISD funds to cover Tribal needs. The BIA has exhausted the ISD Fund. We are aware of no plans by the BIA to replenish it.

The failure by the Bush Administration to request FY 2009 appropriations for the ISD Fund places a moratorium on new contracting for compacting of BIA-funded programs by Indian tribes under Title I and Title IV of the ISDA. At a time of record high unemployment, the loss to Indian Tribes of additional ISDA contracts and new job opportunities for Tribal members is especially hard felt.

To remedy the Bush Administration's error in not requesting appropriations for the ISD Fund, we ask for your support to restore appropriations for the ISD Fund in the amount of $3.0 million annually in recurring appropriations, as two-year rather than "no-year" funds, to ensure the vibrancy of Indian Self-Determination and Education Assistance Act.

Contract Support Cost (CSC)

Each year, the BIA does not request adequate CSC funds to meet Tribal needs. The BIA estimates that the FY 2007 CSC shortfall was approximately $54 million ($143 million in CSC appropriations verses $197 million in allowable CSC need). The shortfall forces Tribal governments to use ISDA program funds to cover CSC shortfall needs, subsidize the shortfall with scarce Tribal funds, or do without. Congress must act to stop the hemorrhaging of resources from BIA-funded programs for Native Americans that undermine Tribal operations. If Congress were to appropriate at least $25 million in recurring CSC funds above FY 2008 enacted levels, it will remedy about half of the $54 million FY 2007 CSC shortfall. The FY 2009 markup by the House Appropriations Committee for the IHS budget included $33 million in additional CSC funds. We hope that the permanent IHS appropriation for FY 2009 includes this increase. The appropriation for the BIA must also increase CSC funding based on proven Tribal needs.

The lack of ISD Funds and CSC dollars diminishes the administrative capacity of Indian tribes to deliver quality ISDA programs and services to our members. It undermines out ability to recruit, train, and retain qualified, professional employees we pay with CSC funds. The Tribal administrative personnel hired with CSC dollars help ensure accountability and transparency in our administration of the ISDA. The ISDA mandates that Indian tribes be paid these costs. There is no other government contractor that is forced to subsidize federal contracts. We ask that every administration and every Congress honor the federal trust responsibility owed to the Indian people.

Please include Indian tribes and our members of the Ramah Navajo Chapter/Ramah Band of the Navajo Tribe when you consider an economic stimulus package to revive the Nation's economy and put Americans back to work.

With adequate resources, Indian tribes can make meaningful strides to improve education, law enforcement, housing and health care programs and positively affect the economies of our reservations.

Thank you for your continuing support of our Tribes.

Sincerely,

M. Begay
for Leo L. Pino
President
RAMAH NAVAJO CHAPTER

RIVERSIDE – SAN BERNARDINO COUNTY
INDIAN HEALTH, INC.
11555 ½ Potrero Road, Banning CA 92220 • (951) 849-4761

January 12, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Riverside-San Bernardino County Indian Health, Inc., I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me, Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Linwood Killam, CEO

SALT RIVER PIMA MARICOPA
INDIAN COMMUNITY
10,005 E Osborn Road
Scottsdale, Arizona 85256

RESOLUTION NO. SR-2731-2009

A RESOLUTION URGING CONGRESS AND PRESIDENT-ELECT BARACK OBAMA TO SUPPORT THE INCLUSION OF INDIAN TRIBES AND INDIAN COUNTRY IN PLANNING AND APPROPRIATIONS FOR INFRASTRUCTURE SPENDING AND ACCESS TO CREDIT AND CAPITAL AS OUTLINED IN THE INDIAN COUNTRY ECONOMIC RECOVERY PLAN DEVELOPED BY THE NATIONAL CONGRESS OF AMERICAN INDIANS.

WHEREAS, the Salt River Pima-Maricopa Indian Community (the "Community") is a Federally-Recognized Indian Tribe; and

WHEREAS, the Community Council has enumerated authority pursuant to Article VII of the Community's Constitution to provide for the common welfare of its citizens and to administer land and other public property for the benefit of its citizens; and

WHEREAS, the United States has a federal trust responsibility toward Federally-Recognized Indian Tribes and individual members established by treaties, executive orders, legislation, and court decisions and this obligation includes but is not limited to the provision of health care services, support of self-determination and self-governance, and trust services; and

WHEREAS, American Indian Communities, whose infrastructure and economies are supported by Indian Tribal Governments, must be directly included in the upcoming federal economic recovery plan in furtherance of the federal trust responsibility; and

WHEREAS, American Indian Communities have the highest unemployment rates in the entire country and Indian Tribal Governments have long had difficulty accessing and attracting capital to serve their citizen's needs; and

WHEREAS, to resolve these barriers to economic prosperity, the National Congress of American Indians (NCAI), in collaboration with Indian Tribal Governments and tribal organizations, have developed the Indian Country Economic Recovery Plan (the "Recovery Plan"), which is attached as Exhibit A and incorporated by reference, that includes ready-to-fund infrastructure projects and eases Indian Tribal Governmental access to capital; and

WHEREAS, the Community Council has determined that support of the Recovery Plan is in the best interests of the Community.

NOW THEREFORE BE IT RESOLVED THAT the Community Council of the Salt River Pima-Maricopa Indian Community urges the Congress and President-Elect Barack Obama to support the inclusion of Indian Tribes and Indian Country in planning and appropriations for infrastructure spending and access to credit and capital as outlined in the Indian Country Economic Recovery Plan developed by the National Congress of American Indians.

BE IT FURTHER RESOLVED THAT the Community Council of the Salt River Pima-Maricopa Indian Community finds that support of the Recovery Plan is in the best interests of the Community.

BE IT FINALLY RESOLVED THAT the President or Vice-President of the Community is hereby authorized and directed to transmit this Resolution upon enactment to the Arizona Congressional Delegation and to take all other reasonable or necessary actions consistent with the intent of this Resolution.

C_E_R_T_I_F_I_C_A_T_I_O_N

Pursuant to the authority contained in Article VII of the Constitution of the Salt River Pima-Maricopa Indian Community, ratified by the Community, February 28, 1990, and approved by the Secretary of the Interior, March 19, 1990, the foregoing resolution was adopted this 14th of January, 2009, in a duly called meeting held by the Community Council in Salt River, Arizona at which a quorum of 9 members were present by a vote of 9 for, 0 opposed, 0 abstained, and 0 excused.

SALT RIVER PIMA-MARICOPA
INDIAN COMMUITY COUNCIL
Diane Enos
Diane Enos, President

ATTEST:
Erica Harvier
Erica Harvier, Secretary

Approved as to Form by the
Office of the General Counsel
Vince Lujan
January 7, 2009
Vince Lujan

President Barack Obama
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

Like all Americans, I want to congratulate you and wish you much success. It is very appropriate that the first letter sent to you as President addresses one of the most critical issues facing your new Administration: catastrophic health care reform.

Not only am I writing to you as our President, but I am writing to you as a father.

My three-year-old daughter, Sarah Jane, was violently shaken by her baby nurse when she was only five days old, breaking three ribs, both collarbones and causing a severe brain injury. Since that day, our family has joined the millions of other families across the country whose child suffers from a pediatric acquired brain injury (PABI).

As you may know, PABI is the #1 leading cause of death and disability for children and young adults in the United States, and the adolescent brain doesn't finish developing until age 25. PABI is caused by traumatic events such as motor vehicle accidents, sports-related accidents, blast injuries from war, assaults/child abuse as well as falls, along with non-traumatic causes such as strokes, brain tumors, pediatric AIDS, meningitis, infection, substance abuse and many others.

Until today, there has never been a National Pediatric Acquired Brain Injury Plan. The Sarah Jane Brain Foundation (named after my daughter) recently assembled the nation's leaders in PABI, and together they co-authored the First Draft of the National PABI Plan. With over 1,000 years of combined experience, these experts outlined the current national health care crisis dealing with PABI along with its problems and proposed solutions. As of 12:01 p.m. today, you can view the National PABI Plan on our website at www.TheBrainProject.org. We are calling upon every stakeholder in the field of PABI from around the world to comment and make suggestions to this document by February 6, 2009.

Once the National PABI Plan has been finalized following the public comment period, we will be drafting the Pediatric Acquired Brain Injury Act of 2009. The PABI Act will ask Congress to establish Centers of Excellence in every state to ensure this National PABI Plan is funded, followed and fulfilled.

" If I were to tell you the United States Department of Defense does not have a specific plan distinguishing the veterans with traumatic brain injury whose brains are still developing (up to age 25) from those who have adult brains; you would say not in MY America.

" If I were to tell you a child who was shaken at seven weeks old would not

receive a medical evaluation for therapy services for nine months; you would say not in MY America.
" If I were to tell you high school football players have died on the field playing the sport because of an undetected brain injury; you would say not in MY America.
" If I were to tell you the top 20 Pediatric Neurosurgery Departments in our nation do not have a common, evidenced-based methodology for treating a child who suffered a head trauma; you would say not in MY America.
" If I were to tell you there has never been a best-practices study or a longitudinal study in our nation for treating children and young adults with PABI; you would say not in MY America.
This is just the tip of the iceberg in OUR America for children/youth and their families suffering from PABI. Over 3,000,000 children/youth suffer from a PABI each year with most of them going undetected and therefore untreated. Tens of thousands are permanently disabled and thousands of our most innocent Americans die annually due to PABI.

Passing and implementing the PABI Act of 2009 is not only the compassionate and proper action to take, but it will also address many of your significant health care reform items along with the issues listed above. The financial savings from passing such catastrophic health care reforms will be in the billions. The emotional savings are immeasurable.

I look forward to working with you and your Administration in dealing with the national health care crisis called Pediatric Acquired Brain Injury. Please let me know with whom in your office we should coordinate our efforts.

Most respectfully yours,
Patrick B. Donohue, Esq.

Founder of The Sarah Jane Brain Foundation and father of Sarah Jane Donohue
P.S. We are planning a very large birthday party for Sarah Jane on June 5, 2009, to celebrate the passing of the PABI Act and it would be an honor to have you sign this historic piece of legislation at her party!

P.P.S. There are those who tell me we cannot get this done before June 5, 2009. I am inspired and follow our nation's new leader in saying, "Yes we can!"

5318 Chief Brown Lane
Darrington, Washington 98241-9420

(360) 436-0131
Fax (360) 436-1511

January 12, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Sauk-Suiattle Indian Tribe I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act (ISDA) contracts and compacts with the Indian Health Service, (IHS) and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs (BIA).

Because of current contract support cost (CSC) shortfalls, the Sauk-Suiattle Indian Tribe, a small tribe, is placed in the position of taking over IHS programs, without the benefit of the necessary contract support costs funds that pay for infrastructure and one time start up costs. Furthermore, the federal agencies would like us to sign a waiver that would absolve them from ever having to provide these funds to the Tribe. This is unconscionable.

Not only is the Sauk-Suiattle Indian Tribe being asked to provide services to our membership, for less than what the U.S. government has, even while enjoying economies of scale, but because the contract support costs go to pay existing base budgets for tribes who have already contracted, we are effectively shut out because we did not have the ability to contract sooner. For many smaller, isolated tribes such as the Sauk-Suiattle, it is a reality of circumstances that have made it difficult to contract before now.

The continued CSC shortfalls have a direct, adverse impact on our community in terms of lost jobs and a lack of critical health, police and other essential services we could be providing to our community. This is in inconsistent with the congressional intent of true self-determination when enacting the Indian Self Determination Act, so many years ago.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. The absence of such funds has made it very difficult and a huge financial burden for the Sauk-Suiattle Indian Tribe to take on new contracts under the ISDA and thereby expand our local employment and service delivery to our community. We have already suffered greatly from past governmental policies of relocation and assimilation, yet here we are again, being punished because we are small and isolated and only now able to contract to provide these services to our community, as Congress intended.

When you consider that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to adequately fund ISDA contract support costs, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition.

Sincerely,

Cynthia M. Harris
Chairman

Shiprock Associated Schools, Inc.
PO Box 1809
Shiprock, NM 87420

January 15, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

RE: Economic Stimulus for Indian Communities

Dear President-elect Obama and Members of Congress:

I write to ask for your support to include in the Economic Stimulus legislation supplemental funding to enable Indian tribes which operate Federal schools for Indian children to receive the amount of funding for administrative costs intended by Congress as set out in the Federal law which created Administrative Cost Grants – 25 USC 2008.

The attached issue paper describes this request, its justification and the amount requested for SY2008-09 currently in progress, and for the upcoming 2009-10 school year which begins July 1, 2009. Not only will the requested funding bring the budget for this program into compliance with the law and enable tribes to comply with sound management standards, it will also enable tribally-operated schools located in at least 20 States to create new meaningful jobs in the Indian reservation communities served by these schools – a key objective of the Economic Stimulus legislation. The modest $37.5 million requested will have an enormous positive impact in those communities.

The Interior Department mechanisms for distribution of these funds are already in place. Thus, they can be immediately disbursed to tribes to boost the economy without delay.

We urgently seek your active advocacy for this proposal to make the economic stimulus goals a reality in Indian Country. Thank you for your support.

Sincerely yours,

Melissa Culler
Executive Director

THE SHOSHONE-PAIUTE TRIBES
OF THE DUCK VALLEY INDIAN RESERVATION
P.O. Box 219 Owyhee, NV 89832

January 12, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Shoshone-Paiute Tribes, I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me (208-759-3100), Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Robert C. Bear, Chairman
The Shoshone-Paiute Tribes of the
Duck Valley Indian Reservation

Skokomish Indian Tribe
Tribal Center (360) 426-4232
N. 80 Tribal Center Road FAX (360) 877-5943 Skokomish Nation, WA 98584

Presidential Transition Office
Sixth and E Streets, NW
Washington, DC 20070

Re: Economic Stimulus Legislation

Dear President-Elect Obama:

On behalf of the Skokomish Indian Tribe in Washington State, I am writing to ask for your support to include infrastructure funding for sovereign Tribal governments in the proposed economic stimulus legislation. The Skokomish Indian Tribe administers many infrastructure programs and develops numerous infrastructure projects. Generally the Tribe's programs are entirely separate and distinct from State government programs, but on occasion we will partner with State or local governments when it is advantageous to both of our governments. Our government and many other Tribal governments serve as major engines of economic growth in our respective regions. Providing separate economic stimulus funding for construction-ready Tribal projects will help Tribal governments put people to work to help grow our local economies.

The Skokomish Indian Tribe administers a full range of governmental services that one would expect to find in any small community across America including health, education, housing, and public safety programs. We develop facilities, operate water and sewer systems, and build roads and bridges. In terms of economic development, we are fostering and building for healthy natural resource and tourism based businesses and industries. Another economic driver in the coming decade will be rebuilding and relocating to higher ground much of our residential area currently located within the flood plain of the Skokomish River that is prone to frequent severe winter floods.

The Tribe oversees a network of Indian Reservation Roads comprised of Tribal, BIA, County, and State routes. For most of its road projects, the Tribe undertakes the work independent from the other governments once right-of-way issues are resolved. The Skokomish Tribe has completed some State Highway project work which involved much collaboration. In 2006, The Tribe completed construction of sidewalks, storm drains, and streetlights along a state route using "Safe Routes to Schools" funds with Indian Reservation Roads moneys to provide improved pedestrian access for school children to the local middle school. We are currently working under a Developer Agreement with the Washington State Department of Transportation to make improvements to US Hwy 101 including an intersection with a new Tribal highway providing access to a Tribal housing development. The housing development will result in up to 200 homes being constructed over the next 15 years and is the relocation site for families moving out of the flood plain. Since 2006, the Tribe has constructed nearly $4 million in infrastructure improvements (water and sewer systems, dry utilities, roads, and 27 buildable lots). At a recent meeting with County Commissioners, one Commissioner commented that our project was likely to result in the largest single housing development in Mason County in 2009.

One final example of infrastructure development that the Skokomish Indian Tribe is undertaking is demonstrated by a wastewater initiative to clean up the Lower Hood Canal. In 2006 the Skokomish Tribe, Mason County, and the local Public Utility District entered into an agreement (Tri-Party MOU) to partner in the development of three small wastewater treatment plants and sewer systems to stem the flow of pollutants originating from septic systems into Hood Canal. Two of the treatment plants will be located on the Skokomish Reservation and a third will serve the small community of Hoodsport north of the Reservation. The first treatment plant to be built will be constructed to service the Tribe's new housing development, an adjacent State Park, and residences and businesses located along US Hwy 101. To date, nearly $9 million of an estimated $25± million total project cost has been secured, the Tribe was identified as the fiscal agent for the projects under a MOU amendment, and a project management firm was hired. We will soon be soliciting for engineering firms to complete design plans for all three plants.

Tribal infrastructure improvements save lives and serve communities in some of the poorest parts of this Country, benefiting Native and non-Native peoples alike. Mason County Washington, like much of rural America, will experience unemployment rates more severe and of greater duration than State or national averages suggest in looking at the experience of prior economic downturns; while on Indian reservations, high unemployment rates are a chronic problem regardless of the state of the economy. Already, the Mason County unemployment rate has climbed to 7.7% (Nov '08) compared to the US average at 6.7% and Washington State at 6.4%. An irony is that the Skokomish Tribe is a top employer in Mason County, yet the unemployment rate of its Tribal membership was identified as 66% on the most recent BIA Labor Force Report for 2005 and 24% within the Skokomish Reservation Census Designated Place in 2000. Developing infrastructure on the Reservation is vital to both mitigating a general drop in employment numbers in the short term but more importantly to reducing the high level of chronic unemployment on the Reservation in the long term.

Leaving construction-ready Tribal infrastructure projects out of the economic stimulus legislation would be extremely inefficient and would not show proper respect for the Federal principles of Tribal self-determination and self-government, which you championed so eloquently during your campaign. To quote from your First Americans policy statement, "American Indian tribal nations are sovereign, self-governing political entities much like states, and are engaged in a government-to-government relationship with the United States federal government." Consistent with your views, I urge your support for direct and targeted infrastructure spending for Tribal governments, as set out in the attached National Congress of American Indians *Indian Country Economic Recovery Plan.*

I particularly ask for your support for Tribal transportation infrastructure funding, given its critical role in all aspects of Tribal health, safety and economic development. According to the most recent BIA Relative Need Distribution Factors Report, the current construction backlog for the Indian Reservation Roads (IRR) Program is over $42 billion. As a modest effort to address this need and to provide economic stimulus within Tribal communities, I request your support for the following proposals:

- At least $310,000,000 to the IRR Program to fund construction-ready road and bridge projects in Tribal communities, including the two road projects I described (US Hwy 101 improvements and the access road to a new Tribal housing development) which have begun construction but will require an additional $1.5 million to complete the projects;

- At least $258,000,000 to the BIA Road Maintenance Program to pay for much needed deferred maintenance projects to preserve transportation infrastructure serving Tribal communities;

- At least $36,000,000 to pay for planned transit projects under the Tribal Transit Grant Program.

As a Tribal leader, I recognize and respect the difficult task you face in steering our Nation out of the difficult financial times we face. The needs for the entire Country are great, while funding is always limited. I and my fellow Tribal leaders wish to support you and your Administration during this challenging time. Please support fair and equitable funding for Tribal infrastructure projects so that America's First Nations may play a beneficial role in creating jobs and improving our deficient infrastructure. I have tried to provide you with some insight to what one small Tribe out of 562 is trying to accomplish to make improvements to our Nation's deteriorating infrastructure. Thank you for your support in this matter.

For more information, please contact Intertribal Transportation Association (ITA) President C. John Healy (406)353-8469, NCAI representative Gwen Salt (202)775-0393, or James Glaze and Jen Thomas (202)682-0240 of Sonosky, Chambers, Sachse, Endreson and Perry, LLP, representing the member Tribes of the Tribal Transportation Coalition.

Sincerely,

Joseph Pavel

Joseph Pavel
Chairman
Skokomish Tribal Council

SOUTHERN UTE INDIAN TRIBAL COUNCIL

POST OFFICE BOX 737
IGNACIO, COLORADO 81137

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Southern Ute Indian Tribe, I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act (ISDA) contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the self-determination policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with tribes and inter-tribal organizations undergoing annual independent audits, with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a tribe's federally-approved fixed contract support costs. However, during the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in tribal communities. Just as significant, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to enter into new contracts and thus expand local employment and service delivery in tribal communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, social services and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

Sincerely,

Matthew J. Box, Chairman
Southern Ute Indian Tribal Council

SUMMIT LAKE PAIUTE TRIBE
Primary Administrative Office
1708 H Street, Sparks, NV 89431-4337

SUMMIT LAKE PAIUTE COUNCIL
Chairman: Warner Barlese • Vice-Chairperson: Lorrain Watson
Secretary/Treasurer: Jerri Lynn Barlese • Council Member: Jesse Strout • Council Member: Ernie Barlese

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January 16, 2009

Presidential Transition Office
Sixth and E Streets, NW
Washington, DC 20070

Re: Economic Stimulus Legislation for the Summit Lake Paiute Tribe

Dear President-Elect Obama:

On behalf of governing body of the Summit Lake Paiute Tribe, Nevada, the Summit Lake Paiute Council ("Council"), and as the Chairman of the Council, I am writing to ask for your support to include infrastructure funding for sovereign Tribal governments in the proposed economic stimulus legislation.

The Summit Lake Reservation ("Reservation") is the most remote Indian reservation in the lower 48 states. All of our housing is substandard. **Our People cannot live on the Reservation year round** without taking extreme health chances **because neither of the counties whose roads lead to the Reservation are cleared of snow drifts, mud and rock slides during the winter**, and, on average, are only receive service/maintenance once a year, usually in the spring because that is all state law requires. The Reservation is home for the only viable population of naturally spawning Lahontan cutthroat trout ("LCT") in the nation, however, because of their dwindling numbers they are on the Endangered Species List as threatened. Our roads are mostly rock with some gravel and sand, and damage tribal member and tribal vehicles terribly. **On a good day, with the roads and trails dry, it takes a tribal employee five (5) hours to get to the Reservation from our administrative office in Sparks, Nevada.**

The Summit Lake Paiute Tribe ("Tribe") administers many infrastructure programs and projects that are entirely separate and distinct from State government programs. Our government and many other Tribal governments serve as major engines of economic growth in our regions. Providing separate economic stimulus funding for construction-ready Tribal projects will help Tribal governments put people to work to help grow our local economies.

Tribal infrastructure improvements save lives and serve communities in some of the poorest parts of this Country, benefiting Native and non-Native peoples alike. Leaving construction-ready Tribal infrastructure projects out of the economic stimulus legislation would be extremely inefficient and would not show proper respect for the Federal principles of Tribal self-determination and self-government, which you championed so eloquently during your campaign. To quote from your First Americans policy statement, "American Indian tribal nations are sovereign, self-governing political entities much like states, and are engaged in a government-to-government relationship with the United States federal government."

Consistent with your views, I urge your support for direct and targeted infrastructure spending for Tribal governments, as set out in the attached National Congress of American Indians *Indian Country Economic Recovery Plan.*

As Chairman of the Council, I particularly ask for your support for Tribal transportation infrastructure funding, given its critical role in all aspects of Tribal health, safety and economic development. According to the most recent BIA Relative Need Distribution Factors Report, the current construction backlog for the Indian Reservation Roads (IRR) Program is over $42 billion. As a modest effort to address this need and to provide economic stimulus within Tribal communities, I request your support for the following proposals:

- At least $310,000,000 to the IRR Program to fund construction-ready road and bridge projects in Tribal communities;
- At least $258,000,000 to the BIA Road Maintenance Program to pay for much needed deferred maintenance projects to preserve transportation infrastructure serving Tribal communities;
- At least $36,000,000 to pay for planned transit projects under the Tribal Transit Grant Program.

As an elected leader, I recognize and respect the difficult task you face in steering our Nation out of the difficult financial times we face. The needs for the entire Country are great, while funding is always limited. I and my fellow Tribal leaders wish to support you and your Administration during in this challenging time. Please support fair and equitable funding for Tribal infrastructure projects so that America's First Nations may play a beneficial role in creating jobs and improving our deficient infrastructure. Thank you for your support in this matter.

For more information on the stimulus needs of the Summit Lake Paiute Tribe, please contact me.

Sincerely,

Warner Barlese
Chairman, Summit Lake Paiute Council

TURTLE MOUNTAIN
BAND OF CHIPPEWA INDIANS

HIGHWAY #5 WEST
P.O. BOX 900
BELCOURT, NORTH DAKOTA 58316

January 7, 2009

Presidential Transition Office
Sixth and E Streets, NW
Washington, DC 20070

Re: Economic Stimulus Legislation

Dear President-Elect Obama:

On behalf of Turtle Mountain Band of Chippewa, I am writing to ask for your support to include infrastructure funding for sovereign Tribal governments in the proposed economic stimulus legislation. The Turtle Mountain Band of Chippewa administers many infrastructure programs and projects that are entirely separate and distinct from State government programs. Our government and many other Tribal governments serve as major engines of economic growth in our regions. Providing separate economic stimulus funding for construction-ready Tribal projects will help Tribal governments put people to work to help grow our local economies.

Tribal infrastructure improvements save lives and serve communities in some of the poorest parts of this Country, benefiting Native and non-Native peoples alike. Leaving construction-ready Tribal infrastructure projects out of the economic stimulus legislation would be extremely inefficient and would not show proper respect for the Federal principles of Tribal self-determination and self-government, which you championed so eloquently during your campaign. To quote from your First Americans policy statement, "American Indian tribal nations are sovereign, self-governing political entities much like states, and are engaged in a government-to-government relationship with the United States federal government." Consistent with your views, I urge your support for direct and targeted infrastructure spending for Tribal governments, as set out in the attached National Congress of American Indians *Indian Country Economic Recovery Plan.*

I particularly ask for your support for Tribal transportation infrastructure funding, given its critical role in all aspects of Tribal health, safety and economic development. According to the most recent BIA Relative Need Distribution Factors Report, the current construction backlog for the Indian Reservation Roads (IRR) Program is over $42 billion. As a modest effort to address this need and to provide economic stimulus within Tribal communities, I request your support for the following proposals:

- At least $310,000,000 to the IRR Program to fund construction-ready road and bridge projects in Tribal communities;

- At least $258,000,000 to the BIA Road Maintenance Program to pay for much needed deferred maintenance projects to preserve transportation infrastructure serving Tribal communities;

- At least $36,000,000 to pay for planned transit projects under the Tribal Transit Grant Program.

As a Tribal leader, I recognize and respect the difficult task you face in steering our Nation out of the difficult financial times we face. The needs for the entire Country are great, while funding is always limited. I and my fellow Tribal leaders wish to support you and your Administration during in this challenging time. Please support fair and equitable funding for Tribal infrastructure projects so that America's First Nations may play a beneficial role in creating jobs and improving our deficient infrastructure. Thank you for your support in this matter.

For more information, please contact Intertribal Transportation Association (ITA) President C. John Healy , NCAI representative Gwen Salt or James Glaze and Jen Thomas of Sonosky, Chambers, Sachse, Endreson and Perry, LLP, representing the member Tribes of the Tribal Transportation Coalition.

Sincerely,

Richard Marcellais

Richard J. Marcallais, Tribal Chairman
Turtle Mountain Band of Chippewa

United South and Eastern Tribes, Inc.
711 Stewarts Ferry Pike • Suite 100 • Nashville, TN 37214

January 13, 2009

The Honorable Barack Obama
President-Elect
451 6th Street, NW
Washington, D.C. 20240

Dear Mr. President-Elect:

Last week, representatives of United South and Eastern Tribes (USET) learned that your proposed economic stimulus package may not include any funding for American Indians. USET represents twenty-five federally recognized Tribes at the regional and national levels.[1] USET is concerned about any decision that would restrict the ability of Indian Tribes to participate in the benefits of your American Recovery and Reinvestment Plan.

During the Presidential campaign, you were very insightful in describing the neglect that Indian Country has suffered over the last several administrations:

> "Perhaps more than anyone else, the Native American community faces huge challenges that have been ignored by Washington for too long. It is time to empower Native Americans in the development of the national policy agenda."[2]

You also developed a very thoughtful statement on your Presidential campaign website, describing the economic and infrastructure needs in Indian Country:

> "Native Americans experience some of the most severe socioeconomic conditions in the United States. Poverty and its effects are pervasive, with more than one quarter of all Native Americans living in poverty and unemployment rates reaching 80 percent on some reservations. Obama's experience as a community organizer working in poor neighborhoods plagued by high unemployment has taught him that there is no single solution to community poverty. Therefore, he supports using a comprehensive approach that includes investment in physical, human and institutional infrastructure, increased access to capital, the removal of barriers to development, and above all, authentic government-to-government relationships between the federal government and tribes."[3]

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[1] USET Tribes are located in the states of Maine, Massachusetts, Rhode Island, Connecticut, New York, North Carolina, South Carolina, Mississippi, Alabama, Florida, Louisiana, and Texas.

[2] Barack Obama's Principles for Stronger Tribal Communities, Undated Statement, available on the Obama campaign website at http://my.barackobama.com/page/content/firstamissues.

[3] Economic and Infrastructure Protection, Barack Obama Presidential Campaign Website, *available at* http://mybarackobama.com/page/content/firstamissues.

"Because there is strength in Unity"

Since there is widespread agreement about the critical economic and infrastructure needs in Indian Country, it is vitally important that Indian Tribes and their members participate in a meaningful way in any economic stimulus package that your Administration proposes to Congress. USET member Tribes were very disappointed to learn last week that there is currently no funding opportunities for Indian programs or infrastructure needs in the current draft of your package.

Several of the USET member Tribes strongly support the comprehensive plan for $3.58 billion in funding proposed by the Chairman of the Senate Indian Affairs Committee, Senator Byron Dorgan of North Dakota. Senator Dorgan's plan, which has bipartisan support from at least fifteen other Senators, is an excellent step forward for helping Indian Country create jobs and ensuring American Indian participation in any economic expansion opportunities.

USET urges you to consider the Dorgan stimulus plan and include it in your American Recovery and Reinvestment Plan. Senator Dorgan's plan is an excellent starting point to address the many critical and unmet needs in Indian Country.

Scan^ - in peace.

Brian Patterson
President
United South and Eastern Tribes, Inc.

YUROK TRIBE

190 Klamath Boulevard • Post Office Box 1027 • Klamath, CA 95548

January 7, 2009

Presidential Transition Office
Sixth and E Streets, NW
Washington, DC 20070

Re: Economic Stimulus Legislation – Tribal Government Funding

Dear President-Elect Obama:

On behalf of the Yurok Tribe, I am writing to ask for your support to include and implement transportation infrastructure funding for sovereign Tribal governments in the proposed economic stimulus legislation. The Yurok Tribe administers many infrastructure programs and projects that are entirely separate and distinct from California state government programs. In addition, we work cooperatively with local, state and federal agencies to meet the continuing critical and dire need of improving transportation infrastructure on and near the Yurok reservation. Our Tribal government and many other Tribal governments serve as major engines of economic growth in our regions. Providing separate economic stimulus funding for construction-ready Tribal projects will help Tribal governments put people to work to help grow our local economies.

Tribal infrastructure improvements save lives and serve communities in some of the poorest parts of this Country, specifically the Yurok reservation located in northwestern California, benefiting Native and non-Native peoples alike. Leaving construction-ready Tribal infrastructure projects out of the economic stimulus legislation would be extremely inefficient and would not show proper respect for the Federal principles of Tribal self-determination and self-government, which you championed so eloquently during your campaign. To quote from your First Americans policy statement, "American Indian tribal nations are sovereign, self-governing political entities much like states, and are engaged in a government-to-government relationship with the United States federal government." Consistent with your views, I urge your support for direct and targeted infrastructure spending for Tribal governments, as set out in the attached National Congress of American Indians *Indian Country Economic Recovery Plan.*

I particularly ask for your support for Yurok Tribal transportation infrastructure funding, given its critical role in all aspects of Tribal health, safety and economic development. According to the most recent BIA Relative Need Distribution Factors Report, the current construction backlog for the Indian Reservation Roads (IRR) Program is over $42 billion. As a modest effort to address this need and to provide economic stimulus within Tribal communities, we request your support for the following proposals:

- At least $310,000,000 to the IRR Program to fund construction-ready road and bridge projects in Tribal communities;
- At least $258,000,000 to the BIA Road Maintenance Program to pay for much needed deferred maintenance projects to preserve transportation infrastructure serving Tribal communities;
- At least $36,000,000 to pay for planned transit projects under the Tribal Transit Grant Program.

As a Tribal leader, I recognize and respect the difficult task you face in steering our Nation out of the difficult financial times we face. The critical needs for the entire Country are great, while funding is always limited. I and my fellow Tribal leaders wish to support you and your Administration during in this challenging time. Please support fair and equitable funding for Tribal infrastructure projects so that America's First Nations may play a beneficial role in creating jobs and improving our deficient infrastructure. Thank you for your support in this matter.

For more information please feel free to contact the Yurok Tribe, Transportation Manager Javier I. Kinney at (707)482-1350 or jkinney@yuroktribe-nsn.us.

Sincerely,

Maria Tripp

Maria Tripp
Chair
Yurok Tribe

Norman J. Cooeyate
Governor
Dancy Simplicio
Lt. Governor
Shelly C. Chimoni
Head Councilwoman
Dixie J. Tsabetsaye
Councilman

PUEBLO OF ZUNI
P.O. Box 339
1203-B State Highway 53
Zuni, New Mexico 87327-0339

Carleton P. Albert Sr.
Councilman
Arden Kucate
Councilman
Winona S. Peynetsa
Councilwoman
Charlotte T. Bradley
Councilwoman

Officially known as the Zuni Tribe of the Zuni Indian Reservation

January 13, 2009

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the Zuni Tribe, I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.

I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

For more information, please contact me, Chairman W. Ron Allen of the Jamestown S'Klallam Tribe (360-369-6699), Amber Ebarb of the National Congress of American Indians (202-466-7767), or Lloyd Miller or Matt Jaffe of Sonosky, Chambers, Sachse, Miller & Munson, LLP, representing the member Tribes and tribal organizations of the Tribal Contract Support Cost Coalition (202-682-0240).

Sincerely,

Norman J. Cooeyate, Governor
Zuni Tribe

NORMAN J. COOEYATE
Governor
DANCY SIMPLICIO
Lt. Governor
SHELLY C. CHIMONI
Head Councilwoman
DIXIE J. TSABETSAYE
Councilman

PUEBLO OF ZUNI
P.O. Box 339
1203-B State Highway 53
Zuni, New Mexico 87327-0339

CARLETON P. ALBERT SR.
Councilman
ARDEN KUCATE
Councilman
WINONA S. PEYNETSA
Councilwoman
CHARLOTTE T. BRADLEY
Councilwoman

Officially known as the Zuni Tribe of the Zuni Indian Reservation

January 14, 2009

President-Elect Barack Obama
c/o Robert Nabors, Economic Policy Team
Jason Furman, Economic Policy Team
Wizipan Garriott, First Americans Public Liaison
David Hayes, Energy and Natural Resources Team
Keith Harper, Energy and Natural Resources Team
Presidential Transition Office
Sixth and E Streets, NW
Washington, D.C. 20270

RE: Indian Country Inclusion in the American Economy Recovery Act

Dear President Elect Obama:

As an elected tribal government official of the Zuni Tribe, I am acutely concerned that the American Economy Recovery Act proposed by your administration may not meet the serious economic needs of tribal governments.

State governments have identified specific infrastructure and capital needs that will help them during this difficult economic crisis. Tribal governments, working together through the National Congress of American Indians, have also identified shovel-ready infrastructure projects that will create much-needed jobs on reservations. The NCAI proposal would also enable tribes to fully access existing capital sources to fully participate in rebuilding our infrastructure and economy.

Indian reservations are America's most economically disadvantaged communities and most vulnerable to the current economic crisis. Reservations should not be carved out and excluded from legislation designed to lift up the entire economy.

Tribal governments are not political subdivisions of State and local governments. They have completely different funding streams that do not pass through states. As such, tribal economies and governments must be explicitly incorporated into the American Economic Recovery Act.

The NCAI plan will immediately stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. To ensure tribal government inclusion, NCAI supports the following $5.4 billion American Indian recovery plan:

- $604 million for Reservation Roads and Transportation Infrastructure
- $205 million for 21st Century Green Schools Rehabilitation and Construction
- $1.04 Billion for Clean Water, Waste Treatment and Irrigation Infrastructure
- $15 Million for Energy Independence Development, Efficiency and Reliability Program
- $370 Million for Health Facilities and Treatment Center Modernization and Construction
- $220 Million for Telecommunications Access and Emergency Management Infrastructure
- $1.68 Billion for Public Safety Infrastructure
- $966 Million for Housing Relief Rehabilitation and Construction Program
- $400 Million for Indian Lands Consolidation Program
- $148 Million for Guaranteed Loan and Surety Bonding Program
- $25 Million for USDA Loan Program Expansion for Business & Industry

In addition to providing targeted infrastructure funding to stimulate tribal economies, tribes also need to access the capital markets by authorizing full use of government tax-exempt bond markets, and to facilitate inter-tribal economic partnerships and investments, the SEC should correct the oversight of not specifically including tribes as governments for purposes of registration and consideration as qualified investors. Additional legislative fixes are outlined in the "Access To Capital" section.

As you are aware, the U.S. constitution recognizes the distinct nature of tribal governmental political structures. The federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. I am asking that the administration honor our government-to-government relationship and include tribes in a meaningful and appropriate manner.

Sincerely,

Norman J. Cooeyate, Governor

WALATOWA
PUEBLO of JEMEZ

January 14, 2009

The Honorable Byron L. Dorgan, Chairman
Senate Indian Affairs Committee
838 Hart Senate Office Building
Washington, D.C. 20510

Regarding: Response to Request for "Ready" Infrastructure Projects for President-elect Obama's Federal Economic Stimulus Package, as requested by the U.S. Congress

Dear Senator Dorgan,

The Pueblo of Jemez has been notified, through the Mid-Region Council of Governments, State of New Mexico, that Congress has requested state, local governments and tribal governments to provide a list of "ready" infrastructure projects (defined by the United States Department of Transportation as projects that are "ready to go in 180 days") for possible inclusion in the proposed Federal Economic Stimulus Package being proposed by Congress at the request of President-elect Obama. The Pueblo of Jemez, through its Governors and Tribal Council, respectfully submit the following projects for consideration:

PROJECT	STATUS	COST
Irrigation Improvement Plan	99%	$ 4,864,600.00
Solar Energy Project	99%	17,335,000.00
Tribal Services Center	99%	1,350,000.00
Water System Improvements Project	90%	1,392,000.00
Pueblo Place Housing Subdivision	80%	8,801,000.00

All of these programs are critically needed in the Pueblo but have been "shelved" for many years due to lack of available capital. All of these programs will provide local, regional and state employment opportunities – either in direct construction or manufacture of component parts, provisions of supplies and materials, etc. These projects are "green" by nature and/or construction applications.

We hope and trust you will continue to support the Pueblo of Jemez and endeavor to add these projects to the proposed Federal Economic Stimulus Package. Thank you in advance for your time and consideration. I remain available to answer any questions you may have and/or to provide additional details or specification.

Sincerely yours,

David Toledo

Governor David Toledo

Project Title: **Traditional Irrigation System Repair & Improvements**

Status:

Current: **66%**

- Land set aside by Tribal Council Resolution
- system survey completed
- NEPA analysis completed
- Cultural and archaeological resources studies completed
- Preliminary Engineering Report completed
- Preliminary layout and design completed

90 Days: **99%**

- Engineering and designs completed
- "Shovel Ready"

Total Cost: **$ 4,864,600**

Amount already funded: **$ 300,000 (engineering reports and initial designs)**

Amount needed: **$4,564,000**

Description/Justification & Benefits:

Agriculture is the foundation of the culture, way of life and traditional economy of the Pueblo of Jemez. Also, water use efficiency is a critical concern not only for this community but for the whole state and our neighbors as well. This project will safeguard the traditional culture of the peoples of the Jemez and contribute to wise water usage.

Funds are requested to repair and improve the Pueblo of Jemez irrigation system: the Pueblo of Jemez is a traditional agrarian community dependant on its small=scale farming that is intertwined with its wavy of life, theology, indigenous economy and customs. The irrigation system is outdated and dilapidated causing it to be very water wasteful and in-efficient. The Pueblo needs to repair, improve and expand its irrigation system. New Mexico State University Alcalde field review (2008) and NRCE: Jemez Indian Reservation Irrigation System Improvement Plan ((2004) were used to determine project costs.

Project Title: **Solar/Renewable Energy Project**

Status: **99%**

Current: **99%**

- Feasibility study and business plan completed
- Conceptual site design plan completed
- NEPA analysis completed
- Cultural and archaeological resources studies completed
- Proposal submitted to PNM for power purchase (reply imminent – PNM is required by recent New Mexico legislation to purchase alternative/renewable energy resources)
- Detailed financial prospectus and spreadsheet completed
- Tribal Council resolution passed approving 30-acre site on Jemez Grant
- Inter-connection study in progress (estimated to be complete within 30 days)
- "Shovel Ready"

Total Cost: **$ 17,335,000**

Amount already funded: **$ 335,000 (expended by POJ in project development)**

Amount needed: **$ 17,335,000**

Description/Justification & Benefits:

The Pueblo of Jemez has pursued the construction of a Solar/Renewable Project for over two years. The project will be the first and largest such renewable energy project constructed on Indian lands. The initial phase of the project will generate 3 megawatts of renewable energy. Power will be provided to all communities throughout the New Mexico grid via PNM.

Project Title:	**Tribal Services Center**	
Status:	**99%**	
Current:	**99%**	

- Conceptual site design plan completed
- NEPA analysis completed
- Cultural and archaeological resources studies completed
- Architectural design completed
- Tribal Council resolution passed designating site/land
- "Shovel Ready"

Total Cost:	**$ 1,350,000**	
	Amount already funded:	**$ 200,000**
	Amount needed:	**$ 1,150,000**

Description/Justification & Benefits:

The Pueblo of Jemez is a sovereign Indian Nation and has "contracted" full social services, public safety, health services and governmental functions from the Bureau of Indian Affairs, the Indian Health Service and other federal and state agencies – the Pueblo of Jemez is fully self-governing. This has occurred over a very short timeframe and the original portable steel structure from which governance has been administered is outgrown and in very poor physical condition. Funds are requested to build a new, integrated and comprehensive Tribal Services Center to house all governance offices and be the center of services for the community.

Project Title: **Water System Improvements Project**

Status:

Current: **66%**

- Land set aside by Tribal Council Resolution
- system survey completed
- NEPA analysis completed
- Cultural and archaeological resources studies completed
- Preliminary Engineering Report completed
- Preliminary layout and design completed

90 Days: **99%**

- Engineering and designs completed
- "Shovel Ready"

Total Cost: **$ 1,392,000**

Amount already funded: **$ 300,000 (engineering reports and initial designs)**

Amount needed: **$1,092,000**

Description/Justification & Benefits:

The state of dilapidation of old asbestos water mains poses a health hazard and also causes intrusion of silt and sand that are abrading and further deteriorating the water lines resulting in leaks and exposed asbestos. The first generation of water/wastewater system for the Jemez Pueblo was put in place in the early 1960's. The drinking water pipes were comprised of 6-inch asbestos-cement (AC) pipe. Now over forty years later, this infrastructure is rapidly aging and is prone to line breaks. Cutting into the AC pipes during repairs presents an airborne hazard to repairmen and requires special handling and abatement. The AC pipe has the high probability of failure due to age, the high susceptibility to root intrusion from vegetation and health concerns of asbestos leaching into the drinking water. The Pueblo is participating in a Sandoval County initiative, the Jemez Valley Domestic Water Alliance comprised of area communities organized to search for regional solutions to drinking water needs. As part of this effort, Souder Miller and Associates (I local engineering firm) has completed a comprehensive preliminary engineering report for design and engineering for repair to the Jemez water system. Over 12,800 linier feet have been identified in need to replace and repair.

Currently the Pueblo treats its wastewater in three non-discharging sewage treatment lagoons. The lagoons are at capacity and currently occupy over twenty-five acres of otherwise arable land. The inability of Jemez to treat any additional wastewater volume has halted new residential home construction and economic development at the Pueblo. The Pueblo has conducted many studies and, having carefully considered the recommendations in all of these studies, the Pueblo believes a wastewater treatment plan/mechanical treatment is the best choice for efficiency and ecological considerations

Project Title: **Pueblo Place Housing Subdivision**

Status: **99%**

Current: **33%**

- Land set aside by Tribal Council Resolution
- Site survey completed
- NEPA analysis completed
- Cultural and archaeological resources studies completed
- Funding secured for initial entry/subdivision road
- Preliminary layout and road configuration completed
- Preliminary architectural designs and renderings
- Road and utilities infrastructure design contracted

90 Days: **66%**

- PER for road and utilities infrastructure design completed
- Architectural design contracted
- Road and utilities infrastructure design completed

180 Days:

- Architectural design completed
- "Shovel Ready"

Total Cost: **$ 8,801,000**

Amount already funded: **$ 908,085**

Amount needed: **$7,892,915**

Description/Justification & Benefits:

The Pueblo of Jemez is experiencing a critical housing crisis: HUD criteria establish "unhoused" at 300% (meaning, on average, three families are living under one roof in a home designed for a single family); over 1,500 tribal members have been forced to live off reservation; the old village is overcrowded, has a weak infrastructure and has no room for growth.

Funds are sought for the Pueblo of Jemez to construct a new housing subdivision which will provide new home sites and rental units to alleviate critical overcrowding and allow tribal members to return to their community. At present it is estimated that the Pueblo of Jemez needs over 325 new homes – this project will provide approximately 100 housing units.

Steve Ivanoff
Transportation Planner
P.O. Box 235, Unalakleet, AK 99684
Phone number: 907-624-3299/3093
Fax number: 907-624-3095

January 13,2009

U.S. Senate Committee on Indian Affairs,

Dear Members,

Shaktoolik is a village of 250 residents 400 miles northwest of Anchorage. Prior to 1935 they were a settlement 8 miles east of their current village site well away from the ocean. This is a site where my father was born in 1923. In 1935 the Bureau of Indian Affairs came in and built a school at a site on the ocean coast, to cut down on mobilization costs, forcing the members to relocate to the area adjacent to the school. The community members were informed they would be penalized if they did not have their children attend the school. Fearing consequences the village members reluctantly migrated to the coast, a site vulnerable to floods and erosion.

Following a big flood of 1974 the village moved 2 miles north to their current site because of the erosion that threatened this former site. They did not have the resources to move to another safer site further away because of the lack of resources.

We had floods in 2003, 2004, and 2005 that greatly diminished the natural barrier between the community and the ocean. The community now becomes an island during the peak surges of the floods leaving the residents to fear for their lives as they do not have an option to jump on a vehicle and leave. The flood of 2005 was not predicted by the National Weather Service making for justified concern from the residents.

Kawerak Inc. and the Denali Commissions Transportation Committee have funded and complete an evacuation road reconnaissance study. This now leads to requests for design funding. Kawerak Inc. and the Denali Commissions Transportation Committee have committed to fund $1 million each for an estimated $3 million design contingent upon an additional $1 million from another source. We are asking for a design match and will be seeking construction funds once the design is completed.

The Bureau of Indian Affairs was wrong to force the relocation by placement of the school on the coast and strongly feel the federal government should help right the wrong that have placed our very own people in harms way.

If you have any questions or need more information please do not hesitate to contact me. Thank you for this opportunity to make this request.

Sincerely

Steve Ivanoff

UNITED TRIBES TECHNICAL COLLEGE
3315 UNIVERSITY DRIVE
BISMARCK, NORTH DAKOTA 58504 • PHONE 701-255-3285 • FAX 701-530-0605

January 15, 2009

Hon. Byron Dorgan
United States Senate
Senate Hart Office Building SH-322
Washington, D.C. 20510

Re: Economic recovery proposals for United Tribes Technical Center

Dear Senator Dorgan:

Attached to this letter is a revised "Economic Recovery Plan" for United Tribes Technical College, along with a table that shows how much each part of the proposal costs and the anticipated jobs created by such a proposal.

UTTC's "Economic Recovery Plan" sets out the priorities for new construction projects for UTTC. Construction of these projects can be started within 60 days of an award of funds, as plans have been completed for the math/technology science center, and in some cases, such as renovation of existing buildings, can begin within 30 days.

UTTC facilities have long been neglected, as UTTC operates primarily in buildings that are over 100 years old. We believe there are many potential funding sources for new buildings, including the Economic Development Administration under the Department of Commerce; HUD Indian programs administered under the Office of Native American Programs; Title III of the Higher Education Act, which authorizes construction funding for higher education facilities; Rural Development programs under the Department of Agriculture, – including Land Grant funding options; and programs under the Department of Transportation and the Department of Transportation, among others.

Please do not hesitate to contact us with any questions you may have.

Sincerely,

Myra Pearson

Myra Pearson
Chairman
Board of Directors
United Tribes of North Dakota
Chairman
Spirit Lake Tribe

Sincerely,

David M. Gipp
President
United Tribes Technical College

United Tribes Technical College

Economic Recovery Plan Proposals

January 15, 2009
(revised from previous proposal)

Introduction - Current Economic Need

The United States in general, and Indian country in particular, is at a critical juncture with significant needs to strengthen and develop our economic well-being, human resources, energy resources, and physical infrastructure. Most Native Americans are the poorest of all American citizens and have the most economic needs. The effect of the long-standing poverty conditions of Native Americans extends far beyond reservation boundaries. Any measure of this country's socio-economic well-being is dependent upon how well progress is made to strengthen the quality of life for America's Native Americans; in turn, those efforts will go a long way to revitalize much of rural America and will demonstrate the significance of Indian country to our nation's well being.

As a result of the needs of the United States as a whole, an economic recovery plan is being proposed that will address many of the fundamental economic issues that must be solved for the College to move forward. United Tribes Technical College, and its proven ability to provide quality career and technical education to Native Americans, can help fill critical manpower training needs to make the recovery plan meaningful for our Native Nations and the rural communities in which they exist.

The Place of UTTC -

Established in 1969, UTTC is an interTribally-controlled postsecondary career and technical education institution with a residential campus in Bismarck, N.D. The mission of the college is consistent with the needs of Indian Country. *"United Tribes Technical College is dedicated to providing American Indians with postsecondary and technical education in a culturally diverse environment that will provide self-determination and economic development for all tribal nations."* UTTC is a part of the solution to rebuild infrastructure, to train American Indians for the jobs needed in Indian country and to help rebuild a "green" economy for our country consistent with traditional Native American values. UTTC has the capacity to contribute a great deal to the stimulus package now being developed. But to do so we need the modern resources, including facilities and faculty, that will allow our students and our faculty to be competitive, to contribute to the economic recovery plan for the United States and to contribute to the rebuilding of significant parts of Indian country.

The specific proposals for our contribution to the stimulus package follow. These projects can be constructed in phases over two years, but each of these projects is critical to the ongoing success of United Tribes. A table that sets out the priorities and provides the cost estimates and anticipated results of UTTC's contribution to the stimulus package is also attached.

1. Housing for new students.

Housing for students is always in short supply. We estimate that more than 100 students are unable to attend because of the shortage of affordable housing both at UTTC and in the community. Further, as UTTC provides additional training opportunities in new and expanded fields such as "green energy" jobs training and law enforcement, housing will be a critical need.

Potential sources of funds:

Various HUD programs, including CDBG, ICDBG, Office of Native American Programs; Department of Agriculture Rural Development, Land Grant College (planning); Economic Development Administration; Higher Education Act (Title III); BIA direct funding.

2. Development of additional educational facilities, including the necessary funds to complete our math/science and technology center on our new campus.

UTTC's campus is primarily housed in buildings that are 100 years old, part of a military fort. As UTTC expands to provide new opportunities to Native Americans consistent with the demands of the 21st century, new buildings and a new campus have become a necessity, not just an option. Detailed plans are already completed for a new math/science and technology center, and approximately $3 million of the necessary $13.9 million for construction of the building have been obtained. UTTC needs the additional $10.9 million to begin construction of this facility this spring. This facility will include state-of-the-art laboratories and classrooms that will greatly expand UTTC's capacity to provide technical education in areas such as "green" energy technology, environmental sciences, life sciences and college courses in mathematics, chemistry, physics, biology and related fields.

UTTC is committed to assist in meeting the needs of Indian country for trained workers and technicians needed to implement "green" energy development strategies in Indian Country. "Green" energy will be a vital part of America's future economic success. "Green" energy includes wind, solar, tidal, geothermal, hydropower, and other non-carbon based energy technologies that are both available and being developed. Without trained Native American workers, Native Nations that are developing their potential for providing "green" energy will be dependent on outside work forces which may or may not be available in areas of Indian country that are more rural.

But to provide this training, UTTC needs additional resources, which will be part of its new math/science and technology center mentioned above. There is no reason that UTTC cannot become the premier "green" energy training center for Native Nations.

In addition, UTTC needs resources to expand its training capabilities for environmentally sounds current technologies such as clean coal technology, and oil and gas workers that are needed as America seeks to expand its energy supply, much of which is located in and near Indian country.

Sources of funds: Various HUD programs, including CDBG, ICDBG, Office of Native American Programs; Department of Agriculture Rural Development, Land Grant College (planning); Economic Development Administration; Higher Education Act (Title III); and BIA direct funding.

3. Renovation of existing educational facilities in order to allow UTTC to align its educational programs with state-of-the art industrial and technological standards. These improvements will allow our students to be more competitive in the global workforce.

As the new campus to the south of UTTC is being completed, the existing facilities at UTTC must be renovated to continue to provide the excellent training now provided by UTTC faculty. Among other things, a number of the 100 year old buildings have been infested in recent years with bats, and need restoration work that UTTC has not been able to afford given its limited funding sources. The renovation work includes improved electrical, heating and plumbing systems, additional access points (ramps and elevators) for those who are physically impaired, repair and replacement of windows, eaves, outside doorways, gutters, re-pointing of the 100 year brick facades of the buildings, and improved technology availability that will enhance student capacity to learn in a more comfortable and safer environment. In addition, UTTFC needs a transportation system from the old campus to the new campus that will provide students safety, particularly in the winter weather. This renovation is critical as UTTC moves forward in development of its new campus, which will, of necessity, only be accomplished in a multi-year period.

Sources of funds: Various HUD programs, including CDBG, ICDBG, Office of Native American Programs; Department of Agriculture Rural Development, Land Grant College (planning); Economic Development Administration; Higher Education Act (Title III); BIA direct funding; and Carl Perkins Act, Section 117.

4. New administration building , as well as development of the infrastructure needed for those facilities at UTTC.

In addition, UTTC greatly needs a new administration building to house programs now scattered about in many energy inefficient buildings on the present campus. Conceptual designs are now complete for either a renovation of one of the existing buildings on the portion of the Army Reserve center that is supposed to be deeded to

UTTC, or for a completely new building on the new campus of UTTC. A consolidated set of administrative offices will provide vastly improved coordination between UTTC departments, but most important will provide more efficient and timely services for students in a facility that will be completely accessible to those who are physically impaired.

Sources of funds: Various HUD programs, including CDBG, ICDBG, Office of Native American Programs; Department of Agriculture Rural Development, Land Grant College (planning); Economic Development Administration; Higher Education Act (Title III); and BIA direct funding.

In addition, UTTC will need operating funds to be increased in two critical areas:

Summary

At your request, we can provide greater detail about any of the above proposals. Please contact:

David M. Gipp, President
United Tribes Technical College
3315 University Drive
Bismarck, ND 58504

United Tribes Technical College 2009 Proposal to Address President Elect Barack Obama's Economic Recovery Legislation

PRIORITY No. 1

Housing for additional students

Project Cost Estimate	Number of Jobs Created During/ After Construction	Fields Affected	Number of Native Americans Served
$14,471,600 two buildings	250 10 Includes indirect jobs created	Construction, Student Housing	Up to 384 single students in 4 buildings with 24 units per building; or up to 96 families with an average of 4-5 members per family

PRIORITY No. 2

Green Energy Math, Science, Technology Training Facility

Project Cost Estimate	Number of Jobs Created	Fields Affected	Number of Native Americans Served
$10,794,000	225 15	Science, Technology, Engineering, Math, Green Energy, Retail	1,500 Full-Time Students Annually (new & existing) 100 Faculty Annually (new) 200 Workshop and Summer Training Participants (new)

PRIORITY No. 3

Existing (North) Campus Infrastructure and Facility Improvements

Project Cost Estimate	Number of Jobs Created	Fields Affected	Number of Native Americans Served
$ 5,000,000 per year for two years	45 10	Construction, Higher Education, Retail	1,500 Full-Time Students 700 Children (new & existing)

PRIORITY No. 4

Administration Building and New (South) Campus Infrastructure

Project Cost Estimate	Number of Jobs Created	Fields Affected	Number of Native Americans Served
$3,597,000	75 5	Construction, Higher Education, Retail	500 Full-Time Adult Students (new) 200 Children (new)

Presidential Transition Office
Sixth and E Streets, N.W.
Washington, DC 20070

Re: Economic Stimulus Legislation and Contract Support Costs

Dear President-Elect Obama:

On behalf of the:
Spirit Lake Tribe
Norton Sound Health Corporation
Port Gamble S'Klallam Tribe
Lummi Indian Nation
Squaxin Island Tribe
Shoshone-Bannock Tribes Fort Hall Business Council
Self-Governance Communication and Education Tribal Consortium
Alaska Native Tribal Health Consortium
Shoalwater Bay Indian Tribe, a Self-Governance Tribe
Lower Elwha Klallam Tribe, a Self-Governance Tribe
Choctaw Nation of Oklahoma
Duckwater Shoshone Tribe
Little River Band of Ottawa Indians
Oneida Tribe of Indians of Wisconsin
Ely Shoshone Tribe
Chitimacha Tribe of Louisiana

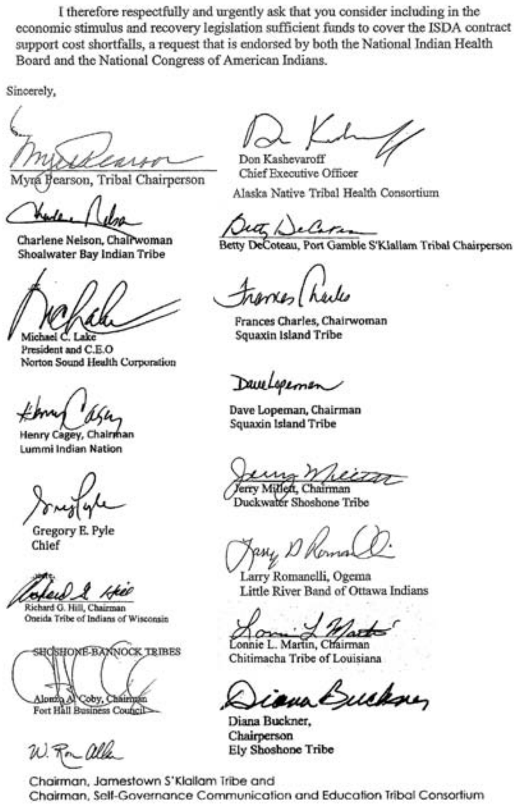
I write to request that the American Economic Recovery Act include $285 million in shortfall funding covering essential tribal governmental services carried out under tribal Indian Self-Determination Act contracts and compacts with the Indian Health Service, and $110 million in similar shortfall funding in connection with ISDA contracts with the Bureau of Indian Affairs. These sums would cover the current shortfalls being suffered by Tribes in fiscal years 2009 and 2010 – shortfalls that directly cost jobs in Indian country, and thus cause critical health, police and other essential service cut backs in our communities.

Under the ISDA, Tribes secure the transfer of essential government operations serving tribal communities from the IHS and BIA to the Tribes. The result is increased local employment and training; a reduced federal bureaucracy; and increased local control over and efficacy in critical health care, law enforcement, education, housing and other programs serving Native American communities.

No policy in American history has had a more profound effect on strengthening tribal institutions and local employment than the Self-Determination Policy reflected in the ISDA. Moreover, the entire contracting process is completely transparent, with Tribes and inter-tribal organizations undergoing annual independent audits, and with all their overhead costs strictly reviewed and approved by the federal government.

The ISDA authorizes and requires that contracts include funds necessary to cover all of a Tribe's federally-approved fixed contract support costs. But over the past eight years the gap in the payment of these costs has widened to a shocking level, so that today the annual shortfall in the payment of these fixed costs under IHS contracts is over $125 million, and under BIA contracts is $55 million. Since these costs are fixed, the direct result of the contract underpayments has been the loss of local jobs and the resulting severe reduction in health care and other services in our communities. Just as bad, the absence of such funds has nearly brought to a halt all new tribal initiatives under the ISDA to take on new contracts and thus expand local employment and service delivery in our communities. The impact for Indian country is particularly severe when one considers that Indian health care is barely one-half the amount the government spends to care for federal prisoners (equivalent to 38% of the Nation's per capita health care spending), and when tribal law enforcement and justice systems are funded at a mere 40% of the national average.

Funding the contract support cost shortfall will lead directly to increased and sustained employment in Indian country. It will lead to increased health care to our people. It will lead to increased law enforcement services, and housing assistance. In short, it will reverberate throughout our communities struggling as much as any in America to deal with the current economic crisis.



I therefore respectfully and urgently ask that you consider including in the economic stimulus and recovery legislation sufficient funds to cover the ISDA contract support cost shortfalls, a request that is endorsed by both the National Indian Health Board and the National Congress of American Indians.

Sincerely,

Myra Pearson, Tribal Chairperson

Charlene Nelson, Chairwoman
Shoalwater Bay Indian Tribe

Michael C. Lake
President and C.E.O
Norton Sound Health Corporation

Henry Cagey, Chairman
Lummi Indian Nation

Gregory E. Pyle
Chief

Richard G. Hill, Chairman
Oneida Tribe of Indians of Wisconsin

SHOSHONE-BANNOCK TRIBES
Alonzo A. Coby, Chairman
Fort Hall Business Council

W. Ron Allen

Chairman, Jamestown S'Klallam Tribe and
Chairman, Self-Governance Communication and Education Tribal Consortium

Don Kashevaroff
Chief Executive Officer
Alaska Native Tribal Health Consortium

Betty DeCoteau, Port Gamble S'Klallam Tribal Chairperson

Frances Charles, Chairwoman
Squaxin Island Tribe

Dave Lopeman

Dave Lopeman, Chairman
Squaxin Island Tribe

Jerry Millett, Chairman
Duckwater Shoshone Tribe

Larry Romanelli, Ogema
Little River Band of Ottawa Indians

Lonnie L. Martin, Chairman
Chitimacha Tribe of Louisiana

Diana Buckner

Diana Buckner,
Chairperson
Ely Shoshone Tribe

Copper River Native Association
(AHTNA T'AENE NENE')
Mile 104 Old Richardson Highway
P.O. Box H • Copper Center, Alaska 99573

VIA US MAIL

January 8, 2009

Presidential Transition Office
Sixth and E Streets, NW
Washington, DC 20070

Re: Economic Stimulus Legislation

Dear President-Elect Obama:

I write on behalf of Copper River Native Association (CRNA), to ask for your support to include Tribal health facility infrastructure funding, and specifically funding for a multi-purpose facility for the Copper River region of Alaska, in the proposed economic stimulus legislation. CRNA is a consortium of five tribes in the Copper River region that operates governmental and health services for the region, providing services to both Native and non-Native residents of Alaska. The Copper River region is located in the interior of Alaska, 200 miles North East of Anchorage. This area of the State is economically depressed in ordinary times, and is even more so now with the national economic downturn.

CRNA has a construction-ready project for a multi-use facility that would create 25 construction related jobs and over 30 additional permanent jobs when fully staffed. The facility will house dental, behavioral health, community health aide programs, governmental services, provider and assisted living housing. In addition, the facility will have an alternative fuel heating source, which could serve as a catalyst for use a alternative fuel throughout the region.

While CRNA recognizes that this is a small project by comparison to some of the projects under consideration for the stimulus funding, for the Copper River region this project could mean a world of difference. Thirty additional sustainable jobs, is significant in a population of 3,500. This facility would help to develop the local economy not only by providing employment, but also by providing a location for governmental services that support the underpinning of the entire region. If funded this project could be underway this spring and completed within twelve months.

CRNA also supports the larger tribal initiative, as set out in National Congress of American Indians *Indian Country Economic Recovery Plan*, which includes funding for two hospitals in Alaska that are critically important and desperately needed. Unfortunately, small projects like the one CRNA is proposing for a multi-use facility never make it into these national priority lists.

We realize that Vice-President Elect Biden has announced that the economic stimulus package will have no earmarks. An appropriate description for this project would be: a multi-purpose facility constructed in the Copper River region of Alaska in which health, community development, and assisted living services are provided.

I recognize and respect the difficult task you face in steering our Nation out of the difficult financial times we face. The needs for the entire Country are great, while funding is always limited. I wish to support you and your Administration during in this challenging time. Please support fair and equitable funding for Tribal infrastructure projects so that Native people may play a beneficial role in creating jobs and improving our deficient infrastructure. Leaving construction-ready Tribal infrastructure projects out of the economic stimulus legislation would be extremely inefficient and would leave Tribal governments and our tribal people even further behind. Thank you for your support in this matter.

Sincerely,

Paulette Schuerch, President/CEO
Copper River Native Association

AT LARGE
Jesse "Jay" Taken Alive
Margaret M. Gates
Charles W. Murphy
Dave Archambault II
Joseph McNeil Jr.
Jesse McLaughlin

JULY 1873

Ron His Horse Is Thunder
Chairman

Avis Little Eagle
Vice Chairwoman

Geraldine Agard
Secretary

DISTRICTS
Robert Cordova
Cannonball District

Henry Harrison
Long Soldier District

Joe Strongheart Sr.
Wakpala Disrict

Frank White Bull
Kenel District

Joe White Mountain Sr.
Bear Soldier District

Milton Brown Otter
Rock Creek District

Frank Jamerson Jr.
Running Antelope District

Richard D. Bird Jr.
Porcupine District

January 9, 2008

Hon. Senator Byron Dorgan
713 Hart Office Building
Washington DC, 20510-3410

Hon. Senator Kent Conrad
530 Hart Office Building
Washington DC 20510-3403

Hon. Congressman Earl Pomeroy
1110 Longworth House Office Building
Washington DC 20510

Presidential Transition Office
Attn: Hon. President-Elect Obama
Sixth and E Streets, NW
Washington, DC 20070
Fax (202)

Re: Economic Stimulus Legislation

Dear President-Elect Obama and the Honorable North Dakota Congressional Delegation:

Esteemed Leaders, on behalf of the Standing Rock Sioux Tribe, I write to ask your support in including infrastructure funding for sovereign Tribal governments in the proposed economic stimulus legislation. The current list of 562 tribal entities recognized and eligible for funding and services from the Bureau of Indian Affairs by virtue of their status as Indian tribes is set forth in the Federal Register: April 4, 2008 (Volume 73, Number 66), pp. 18553-18557.

The Standing Rock Sioux Tribe welcomes the opportunity to work with a new Congress and with you, President-Elect Obama. The following Water, Juvenile Justice, Housing and other shovel-ready construction projects are high priority in ensuring the health, safety and welfare of all Indian and non-Indian residents within the Standing Rock Sioux

Tribe's boundaries. For the projects described below, the Standing Rock Sioux Tribe hereby requests funding in the combined amount of $107,849,906.00.

Youth Services Center

The Tribe has received only $2 million in Justice Department/BIA funding for construction of youth detention facility. Of the $5.6 million funded to date - the Tribe received $3.695 million in Justice Department grants to design and build the facility and the Tribe has contributed an additional $900,000 in Tribal revenues to the project. The Tribe lacks the funds to complete construction of its 18-bed youth detention and treatment facility. The Tribe's Bismarck architects for the project, Leaf Design Studio, has concluded that an additional $2 million dollars is required in FY 2009 funding to to build a 15,679 sq. ft. facility in the summer of 2009. The funding the Tribe seeks for its youth would include a computer lab for educational purposes.

Indian Reservation Roads Program

The Standing Rock Sioux Tribe's high priority road projects include the following:

1. Fort Yates Access Road, estimated cost $1,350,000
2. Four Mile Creek Bridge, estimated cost $1,737,000
3. Kenel Road, South Dakota portion, ec: $6,272,135
4. Kenel Road,, North Dakota portion, ec: $6,550,771

total $15,929,906

For the Tribe, these roads are as essential to economic development as they are to daily life. The $15,929,906 requested will save lives and enhance the Tribe's status as the reservation's leading employer.

Standing Rock Rural Water System (3 Year Plan 2009-2011)

The Standing Rock Sioux Tribe's high priority "Core Facilities" water infrastructure projects include the following:

1. 2009: $25.5 million (in addition to $5 million in previously secured funding), Solen Pipeline, the Water Treatment Plant Phase 1, Raw Water Pipeline Phase 2, and the Wakpala to Bear Soldier Main Transmission Pipeline;
2. 2010: $16.5 Million, Indian Memorial Intake Pump Station, the Water Treatment Plant Phase 2, the Main Storage Reservoir and the Main Transmission Pipeline; and
3. 2011: $17.8 Million, 2011 contracts will consist of pipeline construction, to connect existing pipelines into a single Reservation-wide system

Wakpala Gymnasium and Wellness Center

There is a funding shortfall of about $750,000 for the Wakpala Gymnasium and Wellness Center. Since Diabetes is the leading killer of members of the Standing Rock Sioux Tribe, having access to exercise facilities would aid greatly in the prevention of obesity and the early onset of type II Diabetes. In addition, the Wakpala Community will have a Community Center to help preserve the Lakota Culture.

Reservation-Wide Education

Standing Rock Community Grant School: Renovation of High School Building

I. The Bureau of Indian Affairs began to renovate the Standing Rock Community High School, however in December 2008, the BIA de-listed the SRC High School renovation. According to Jack Rever, BIA Facilities Management Director, the SRC High School qualifies under the proposed economic stimulus funding criteria because:

1. This project has been approved by the BIA OFMC and is a ready-to-go project;
2. In addition, the BIA actually began the project; and
3. The SRC School Board of Directors has been working with BIA OFMC for more than ten (10) years to ensure that high school students have a healthy learning environment.

The amount projected by BIA OFMC to renovate the high school is $10,605,000.

Standing Rock Community Grant School: Teacher Housing Construction

II. The Standing Rock Community School has hired a firm of architects to develop teacher housing near the school. Five houses are in place for the site available; the school has paid the entire cost of this development; as burden it can no longer bear. As things are now, the school loses the benefits of its teachers when they commute away from the community at the end of the day. To finish this project, the SRC Board of Directors projected need is $9,000,000 over the next three (3) years:

1. 2009: $3,000,000 for construction, water-sewer, landscaping, driveways, lighting, streets and curb and gutter for the next ten houses in the Meadowlark Development;
2. 2010: $3,000,000 for for construction, water-sewer, landscaping, driveways, lighting, streets and curb and gutter for the next eight houses in the Whispering Hills Development; and
3. 2011: $3,000,000 for for construction, water-sewer, landscaping, driveways, lighting, streets and curb and gutter for the last eight houses in the Whispering Hills Development

Sitting Bull Day School: Construction, Renovation and Maintenance

III. The Sitting Bull Day School and the Standing Rock Sioux Tribe, using P.L. 100-297 (Tribally Controlled Schools Act), codified at 25 U.S.C. § 2501, *et seq*., acquired operational control and responsibility for the Sitting Bull Day School (hereafter "SBDS") from the BIA in July 2007.

The SBDS has a "Growth Model" agenda that, with adequate funding, will directly impact the socioeconomic development of our poverty-stricken reservation. Act of March 2, 1889, § 3, 25 Stat. 888 (boundaries of the Standing Rock Indian Reservation).[1] As a consequence of the appallingly low funding provided for government-funded Indian schools, the SBDSN planned educational-change agenda cannot be carried out for the following reasons:

1. Operationally, the school inherited a facility with serious problems, i.e., the heating system is outdated and must be replaced;
2. Shortly before Christmas the school's pipes froze and broke causing the gym floor to buckle;
3. Previously, in 2005 the school had a repair/renovation assessment performed and funded by the BIA's OFMC (2005). The said repair and renovation of the SBDS remains unfinished;
4. The poor condition of the school leaves the school with no garage for school vehicles;
5. The SBDS parking lot is rotting away due to standing water;
6. The drainage and appearance problems landscaping present SBDS with ongoing problems inherited from BIA OFMC;
7. The SBDS is developing the first Lakota Montessori Immersion School for the Tribe; and
8. The existing BIE funding is utterly inadequate to support such a farsighted and empowering movement.

The SBDS School Board current projected need is $5.5 million dollars.

Sitting Bull College: Facility Construction

IV. Sitting Bull College (SBC) is a tribally-controlled college on the Standing Rock Reservation of North and South Dakota. The original campus was built circa 1960 and leased to the college in 1973. It had serious limitations from the outset but in the past decade it has become a structural and functional disaster area. Meanwhile, costly repairs drain the maintenance and dip into the remainder of the college budgets. The SBC is requesting funds to build an addition to the student center currently under construction. The requested facility would include food services, wellness facilities, a bookstore, and office space.

The SBC Board of Directors projected FY '2009 cost for the planned 10,000 square foot facility is $3,500,000.

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[1] The Standing Rock Indian Reservation is about the size of the State of Connecticut.

As a Tribal leader, I recognize and respect the difficult task you have in leading our Nation out of the difficult financial times. The needs for the entire Country are great, and no one understands that more than Indian country especially while funding is always limited. I and my fellow Tribal leaders wish to support you and your Administration during in this challenging time.

Please consider funding our Tribal infrastructure projects so that America's First Nations may play a beneficial role in creating jobs and improving our deficient infrastructure. Thank you for your support in this matter.

Sincerely,

Ron His Horse Is Thunder
Chairman
Standing Rock Sioux Tribe

POTAWATOMI
KEEPER OF THE FIRE

HANNAHVILLE
INDIAN COMMUNITY
N14911 HANNAHVILLE B1 RD.
WILSON, MICHIGAN 49896-9728

BROTHERHOOD UNITY NESHNABE PEACE

January 16, 2009

Dear Sir or Madam:

We request that the Obama Transition Team consider including funding for Indian construction projects funded by the Bureau of Indian Affairs (BIA), the Indian Health Service (IHS) and the Environmental Protection Agency (EPA) in the economic stimulus package. Our recommendations are listed below.

Bureau of Indian Affairs

The BIA construction projects listed below are authorized under the Snyder Act of 1921.

Housing Improvement Program: $100.0 million per year for the next four years to fully meet the needs of people currently qualified for HIP assistance. In addition, the BIA Regional HIP Coordinator positions (12 FTE and $1.4 million) should be protected at FY 2008 levels. Mr. Jim Cason, DOI Associate Deputy Secretary, is trying to RIF the positions before the Obama Administration takes office.

Road Maintenance: The BIA Road Maintenance funding should be doubled to $50.0 million per year over the next four years. The Road Maintenance program should be allowed to use a portion of the funds to replace existing equipment. In addition, the BIA staffing levels for the program should be maintained at the FY 2007 level of 183 FTE. Mr. Cason is trying to RIF the Road Maintenance positions before the Obama Administration takes office.

School construction: $100.0 million per year for four years for education facilities construction.

Education Facilities Improvement and Repair: $125.0 million per year for four years for education facilities improvement and repair.

Detention Facilities Construction: $100.0 million per year for four years for Indian detention center construction.

Detention Facilities Improvement and Repair: $50.0 million per year for four years for Detention Facilities Improvement and Repair.

Irrigation Project Construction: The Indian Irrigation Construction program should be funded at $50.0 million per year for four years.

KENNETH MESHIGAUD, Tribal Chairperson
ELAINE MESHIGAUD, Vice Chairperson
TAMMY WANDAHSEGA, Secretary
LISA MESHIGAUD, Treasurer
Council Members: Robin Halfaday, Earl Meshigaud, Ann Saboo, Henry Philemon Jr., John Meshigaud, Jeremiah Jackson, Chad Harris, William Sagataw

Indian Irrigation Rehabilitation: The Indian Irrigation Construction program should be funded at $50.0 million per year for four years.

Safety of Dams and Dam Maintenance: $50.0 million per year for four years for Safety of Dams and Dam Maintenance.

BIA Facilities: $50.0 million per year for four years to replace or repair BIA facilities on Indian lands.

Indian Land Consolidation Program: $100.0 million per year for four years for the Indian Land Consolidation Program. In addition, the control of the funding should be transferred from the OST to the BIA.

Indian Health Service

The Indian health care facilities maintenance and construction projects listed below are authorized under the Snyder Act of 1921 and the Transfer Act of 1954. The Indian Sanitation Facilities projects are authorized under Public Law 86-121.

Facilities Maintenance and Improvement: $125.0 million per year for four years for IHS facilities maintenance and improvement to address the current backlog.

Sanitation Facilities Construction: $250.0 million per year for four years for Indian Sanitation Facilities projects.

Health Care Facilities Construction: $625.0 million per year for four years to fund the construction of currently planned IHS inpatient and outpatient facilities.

Environmental Protection Agency

Clean Water State Revolving Fund: $170.0 million per year for four years for tribes under the Clean Water State Revolving Fund.

The economic stimulus package should include $85.0 million per year for four years for water facility construction for Alaska Native villages..

Thank you for your consideration of these recommendations.

Sincerely,

Kenneth Meshigaud, Tribal Chairperson
Hannahville Indian Community

PUEBLO OF ACOMA
OFFICE OF THE GOVERNOR

P.O. BOX 309
ACOMA, NEW MEXICO 87034

January 15, 2009

The Honorable President Elect Barack Obama
c/o Robert Nabors, Economic Policy Team
Jason Furman, Economic Policy Team
Wizipan Garriott, First Americans Public Liaison
David Hayes, Energy and Natural Resources Team
Keith Harper, Energy and Natural Resources Team
Presidential Transition Office
Sixth and E Streets, N.W.
Washington, D.C. 20270

RE: Indian Country Inclusion in the American Economy Recovery Act

Dear Honorable President Elect Obama:

As an elected tribal government official of the Pueblo of Acoma, I am acutely concerned that the American Economy Recovery Act proposed by your administration may not meet the serious economic needs of tribal governments.

State governments have identified specific infrastructure and capital needs that will help them during this difficult economic crisis. Tribal governments, working together through the National Congress of American Indians, have also identified shovel-ready infrastructure projects that will create much-needed jobs on reservations. The NCAI proposal would also enable Tribes to fully access existing capital sources to fully participate in rebuilding our infrastructure and economy.

Indian reservations are America's most economically disadvantaged communities and most vulnerable to the current economic crisis. Reservations should not be carved out and excluded from legislation designed to lift up the entire economy.

Tribal governments are not political subdivisions of State and local governments. They have completely different funding streams that do not pass through states. As such, tribal economies and governments must be explicitly incorporated into the American Economic Recovery Act.

The NCAI plan will immediately stimulate Indian reservation and surrounding rural economies nationwide and put tens of thousands of local residents to work. To ensure tribal government inclusion, NCAI supports the following $5.4 billion American Indian recovery plan:

- $604 million for Reservation Roads and Transportation Infrastructure
- $205 million for 21st Century Green Schools Rehabilitation and Construction
- $1.04 billion for Clean Water, Waste Treatment and Irrigation Infrastructure
- $15 million for Energy Independence Development, Efficiency and Reliability Program
- $370 million for Health Facilities and Treatment Center Modernization and Construction
- $220 million for Telecommunications Access and Emergency Management Infrastructure
- $1.68 billion for Public Safety Infrastructure
- $966 million for Housing Relief Rehabilitation and Construction Program
- $400 million for Indian Lands Consolidation Program
- $148 million for Guaranteed Loan and Surety Bonding Program
- $25 million for USDA Loan Program Expansion for Business & Industry

In addition to providing targeted infrastructure funding to stimulate tribal economies, tribes also need to access the capital markets by authorizing full use of government tax-exempt bond markets, and to facilitate inter-tribal economic partnerships and investments, the SEC should correct the oversight of not specifically including tribes as governments for purposes of registration and consideration as qualified investors. Additional legislative fixes are outlined in the "Access to Capital" section.

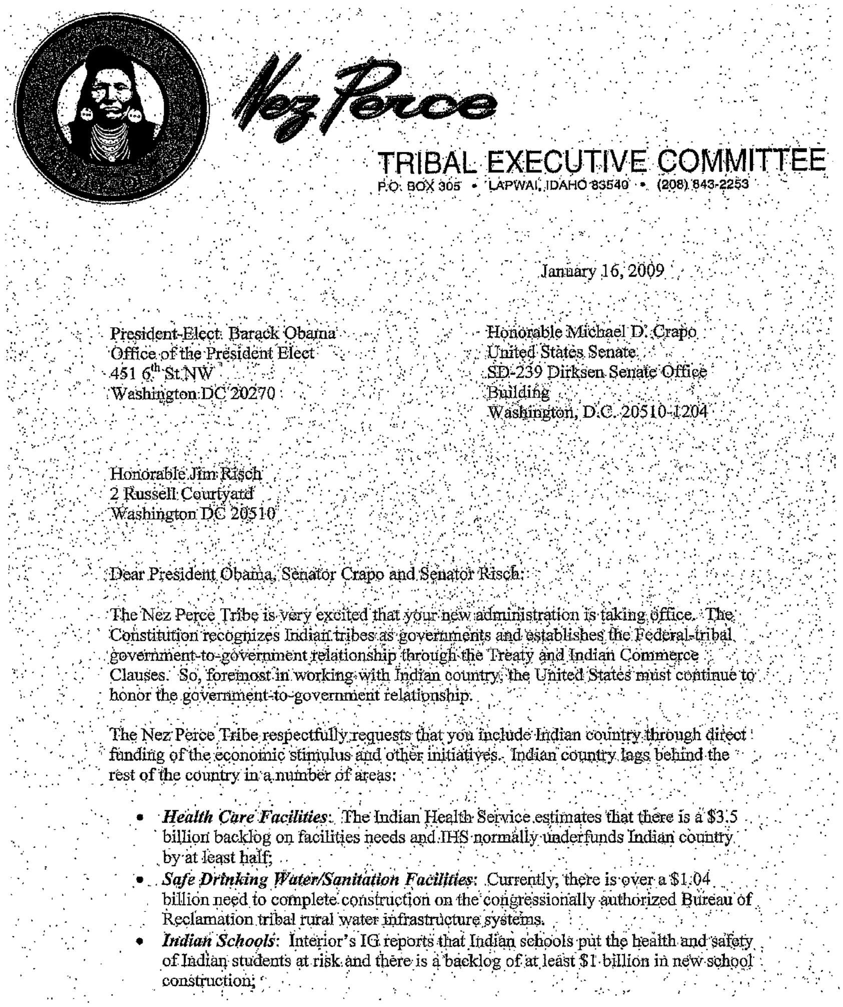
As you are aware, the U.S. Constitution recognizes the distinct nature of tribal governmental political structures. The federal government has created distinct economic funding streams for tribal governments separate from those in place for state governments. I am asking that the administration honor our government-to-government relationship and include tribes in a meaningful and appropriate manner.

If you should have any questions, please feel free to contact my office at (505) 552-6604.

Sincerely,

PUEBLO OF ACOMA

Chandler Sanchez
Governor



Nez Perce
TRIBAL EXECUTIVE COMMITTEE
P.O. BOX 305 • LAPWAI, IDAHO 83540 • (208) 843-2253

January 16, 2009

President-Elect Barack Obama
Office of the President Elect
451 6th St NW
Washington DC 20270

Honorable Michael D. Crapo
United States Senate
SD-239 Dirksen Senate Office
Building
Washington, D.C. 20510-1204

Honorable Jim Risch
2 Russell Courtyard
Washington DC 20510

Dear President Obama, Senator Crapo and Senator Risch:

The Nez Perce Tribe is very excited that your new administration is taking office. The Constitution recognizes Indian tribes as governments and establishes the Federal-tribal government-to-government relationship through the Treaty and Indian Commerce Clauses. So, foremost in working with Indian country, the United States must continue to honor the government-to-government relationship.

The Nez Perce Tribe respectfully requests that you include Indian country through direct funding of the economic stimulus and other initiatives. Indian country lags behind the rest of the country in a number of areas:

- ***Health Care Facilities***: The Indian Health Service estimates that there is a $3.5 billion backlog on facilities needs and IHS normally underfunds Indian country by at least half;
- ***Safe Drinking Water/Sanitation Facilities***: Currently, there is over a $1.04 billion need to complete construction on the congressionally authorized Bureau of Reclamation tribal rural water infrastructure systems.
- ***Indian Schools***: Interior's IG reports that Indian schools put the health and safety of Indian students at risk and there is a backlog of at least $1 billion in new school construction;

- ***Housing***: There is a backlog of need for at least 200,000 new housing units, existing units are in need of immediate repair, and 900,000 American Indians and Alaska Natives are homeless;
- ***Reservation Roads***: BIA reports at $12 billion backlog in construction for reservation roads; and
- ***Energy, Telecommunications, Public Safety and Justice***: The Bush Administration has either cut funding or done precious little for Indian country in these areas. Indian country must be included in direct funding for initiatives in these areas to ensure that we do not fall further behind.

Please make every effort to include Indian country in direct funding under the economic stimulus legislation. Pass-through funding will not reach Indian country and undercuts the United States' government-to-government relationship with Indian tribes.

The Nez Perce Tribe respectfully request the new administration to establish a White House Tribal Government Office to work directly with Indian tribes on a government-to-government basis. The office should have a high level director. The White House Tribal Government Office should also have a deputy director, special assistant and executive assistant. Moreover, the White House should appoint a special assistant to the President for Indian affairs on the Domestic Policy Council, an Indian counsel in the White House Counsel's Office and create an American Indian desk at OMB. These steps are crucial to making the government-to-government relationship effective in serving Indian country.

The Tribe respectfully requests the Obama administration to begin working on a new Executive Order to reaffirm and further the principles announced by President Clinton in Executive Order 13175 (2000). An Obama Executive Order on Consultation and Coordination with Indian tribes should strengthen the existing Executive Order by:

- Reaffirming the Constitution's provisions on Indian affairs and emphasizing that the United States should work with Indian tribes, to the greatest extent possible, on a basis of *mutual respect and mutual consent*;
- Reaffirming the status of Indian tribes as governments, treating Indian tribes with the same dignity as states, *inter alia,* in general Federal laws, including but not limited to environmental, labor, pension, and tax laws, and including Indian tribes in direct Federal funding when Federal funding is provided for state and local governments;
- Requiring each Cabinet Department and Agency to maintain an office of tribal government support which meets at least monthly with the Secretary; and
- Re-establishing the DPC Interagency Working Group on Indian Policy co-chaired by Senator Salazar and one other Secretary (rotating on a monthly basis).

In addition, the Tribe respectfully requests the administration to support and Congress to enact a law that codifies the new Executive Order, so that Federal agencies have a clear message and guiding principles to follow in the future.

Respectfully, the Tribe requests that Secretary Salazar, Secretary Daschle, Attorney General Holder and other Secretaries convene a cabinet level "listening session" with tribal government leaders in March 2009 to develop Federal funding, programs and initiatives based upon Indian country's priorities. Then, the Obama administration can make great progress for Indian country by convening a White House meeting in May or June 2009. We believe that such a White House meeting should be convened annually and such a cabinet meeting should be convened semi-annually throughout the administration so that tribes have access, responsiveness and accountability from the Executive Branch to Indian country. The Tribe believes that it will also be important for the White House to include the key legislative committees in these government-to-government working sessions.

Finally, as the new administration takes office, the Tribe believes that it is necessary to appoint new personnel to reflect the new administration's policies and make a new start. This is especially true at Interior, where new regulations have issued, new initiatives are undertaken, memoranda of understanding are negotiated, political personnel have burrowed into career positions, and policies are continuing to change.

Thank you for your thoughtful consideration. The Nez Perce Tribe looks forward to working together to build a stronger economy and improve self-government for Indian country and for all of America.

Sincerely,

Samuel N. Penney

Samuel N. Penney
Chairman

NATIONAL
INDIAN
EDUCATION
ASSOCIATION

110 Maryland Ave, NE
Suite 104
Washington, DC 20002

NIEA Board of Directors
(2008/2009)

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Native Hawaiian

Skawenilo Barnes,
Mohawk Nation
Student Board Member

The National Indian Education Association, a 501(c) (3) organization, was founded in 1969 to support traditional Native cultures and values, to enable Native learners to become contributing members of their communities, to promote Native control of educational institutions, and to improve educational opportunities and resources for American Indians, Alaska Natives, and Native Hawaiians throughout the United States.

To become a NIEA member,
log on to: www.niea.org/membership

January 9, 2009

The Honorable Barack Obama
President-Elect
451 6th Street, NW
Washington, DC 20240

Dear President-Elect Obama:

On behalf of the National Indian Education Association (NIEA), the oldest and largest Native organization representing over 3,500 Native educators, students, teachers, parents, and tribal leaders, I extend to you heart-felt congratulations on your historic victory and eagerly look forward to working with you and your Administration to achieve the changes you outlined in your campaign in order to improve educational opportunities for this Nation's First Americans. I have met with your transition officials and am encouraged that, by working together, we can achieve our common goal to improve the lives of Native Americans through education.

To that end, NIEA respectfully requests that the economic stimulus package include a total of $500 million for the following: (1) school facilities new construction ($300 million); (2) school facilities improvement and repair ($150 million); and (3) school facilities employee housing repair and maintenance ($50 million) at K-12 schools administered or operated by the Bureau of Indian Education (BIE) within the Bureau of Indian Affairs, Department of the Interior. Based upon our discussions with BIE officials and with tribes with BIE schools on BIE's list of facilities in need or repair or replacement, $500 million would allow for the construction of at least 4 schools, repairs and improvements at no less than 25 schools, and repair and maintenance of employee housing at no less than 14 schools.

These projects can be completed within a 24-month time frame and would help to jumpstart the reservation economies in which these school facilities are located by providing significant numbers of jobs in economically depressed areas where unemployment rates have, over decades, been consistently much higher than the national average. These projects are typically the biggest construction projects in these communities and provide often times the only base for economic stimulation and revitalization in these areas. This funding would be a wise investment in not only the infrastructure on many reservations but also in the education provided to our Native students. Further, this funding would assist in replacing condemned facilities and in repairing dangerous conditions present at many of these schools.

There are only two educational systems for which the federal government has direct responsibility: the Department of Defense schools and federally and tribally operated schools that serve American Indian students through the Bureau of Indian Education. The federal government's responsibility for the education of Indian people is based upon treaty obligations. The federally supported Indian education system includes 48,000 students in K-12 as well as 29 tribal colleges, universities, and post- secondary schools.

Funding for BIE school construction and improvement and repair has historically been grossly inadequate to keep pace with the needs of these schools and, consequently, Indian school needs have multiplied. The funding that has been allocated over the past few years has not addressed the tremendous backlog of Indian schools and facilities in need of replacement or repair.

Of the 4,495 education buildings in BIE's inventory, half are more than 30 years old and more than 20% are older than fifty years. On average, BIE education buildings are 60 years old; while, 40 years is the average age for public schools serving the general population. Sixty-five percent of BIE school administrators report the physical condition of one or more school buildings as inadequate. The deferred maintenance backlog is estimated to be over $500 million and increases annually by $56.5 million. Of the 184 BIE Indian schools, 1/3 of Indian schools are in poor condition and in need of either replacement or substantial repair.

Further, we understand that provisions are being considered in the stimulus package that may create new authorizations for school construction. While we support new programs for general school construction, especially new public schools and charter schools in Native communities, we urge you to consider that the BIE school system is a federal responsibility that has unique needs and circumstances. We hope that you will consult with NIEA and Indian Country on any new school construction authorization provisions to ensure that new authorizations do not create unintended adverse impacts on BIE schools. Further, NIEA urges the inclusion of funding for BIE school construction, maintenance, and repair as a separate provision in the economic stimulus package distinct from funding for public schools, territorial schools, or other types of schools given that BIE schools are uniquely situated due to treaty rights and the federal trust obligation for the education of Indian children.

We look forward to working with you and your Administration on the economic stimulus package and other matters.

Very truly yours,

Robert B Cook

Robert Cook
President

Bureau of Indian Affairs Schools in need of Major Repairs or Replacement

	Location Name	State
1	Dennehotso Community School	AZ
2	Yakama Tribal School 2008 Deferr 2009	WA
3	Flandreau Indian School	SD
4	Cibecue Community School	AZ
5	Lukachukai Boarding School	AZ
6	Circle of Life Survival School	MN
7	Keams Canyon K/D and Elementary Sch	AZ
8	Kin Dah Lichi'i Olta (Kinlichee) School	AZ
9	Standing Rock-High School Ph II	ND
10	Cottonwood Day School	AZ
11	Marty Indian School	SD
12	T'iis Nazbas Community School	AZ
13	Nenahnezad Boarding School	NM
14	Hopi Junior-Senior High School	AZ
15	Richfield Residential Hall	UT
16	Riverside Indian School (Dorms)	OK
17	Rough Rock Community School	AZ
18	Crow Creek High School	SD
19	Kaibeto Boarding School	AZ
20	Blackfeet Dormitory	MT
21	Blackfeet Dormitory K/D & Gym	MT
22	Beatrice Rafferty School	ME
23	Little Singer Community School	AZ
24	Cove Day School	AZ
25	Hotevilla Bacavi Community School	AZ
26	Crystal Boarding School	NM
27	Theodore Roosevelt School (Historic)	AZ
28	Dzilth-na-o-dith-hle Community School	NM
29	Miccosukee Indian School	FL
30	Duckwater Shoshone Elementary School	NV
31	Greasewood Springs Community School	AZ
32	Rocky Ridge Boarding School	AZ
33	Salt River Day School	AZ
34	Wounded Knee District School	SD
35	Na' Neelzhiin Ji'Olta' (Torreon)	NM
36	Rock Point Community Elem School	AZ
37	Black Mesa Community School	AZ
38	Shonto Boarding School	AZ
39	John F. Kennedy Day School	AZ
40	Hopi Day School	AZ
41	Tonalea/Redlake Day School	AZ
42	Laguna Elementary School	NM

Bureau of Indian Affairs Schools in need of Major Repairs or Replacement

	Location Name	State
43	Little Wound/Kyle	SD
44	Jemez Day School	NM
45	Greyhills High School	AZ
46	Santa Rosa Boarding School	AZ
47	Naa tsis' aan (Navajo Mountain Boarding)	AZ
48	Rock Creek Grant School (Bullhead)	SD
49	Aztec Dormitory	NM
50	Taos Day School	NM
51	American Horse School (Allen)	SD
52	Chinle Boarding School	AZ
53	Te Tsu Geh Oweenge (Tesuque) Day School	NM
54	Sicangu Owayawa Oti (Rosebud Dormitory)	SD
55	Sicangu Owayawa Oti K/D & Gym	SD
56	Mandaree Day School	ND
57	Casa Blanca Day School	AZ
58	Gila Crossing Day School	AZ
59	Alamo Navajo School	NM
60	San Simon School	AZ
61	Tse'ii'ahi' (Standing Rock) Community School	NM
62	Tohono O'Odham High School (Papago)	AZ
63	Ohkay Owingeh (San Juan) Community School	NM
64	To'haali' (Toadlena) Community School	NM
65	Sherman Indian High School	CA
66	Choctaw Central School	MS
67	Theodore Jamerson Elementary School	ND
68	Chitimacha Day School	LA
69	Trenton School	ND
70	Pine Hill Schools	NM
71	Quileute Tribal School	WA
72	Red Rock Day School	AZ
73	Dibe Yazhi Habitiin Olta Inc. (Borrego Pass)	NM
74	Moencopi Day School	AZ
75	Coeur D'Alene Tribal School	ID
76	Atsa Biyaazh Community School (Shiprock, NM)	NM
77	Jones Academy Dormitory	OK
78	Jones Academy Kitchen/Dining Bldg	OK
79	Santa Clara Day School	NM
80	Pinon Community School	AZ
81	White Shield School	ND

U.S. Department of the Interior
Office of Inspector General

FLASH REPORT

Bureau of Indian Affairs and Bureau of Indian Education: Schools in Need of Immediate Action

C-IN-BIA-0008-2007

MAY 2007

United States Department of the Interior

OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20240

May 31, 2007

Memorandum

To: Assistant Secretary-Indian Affairs

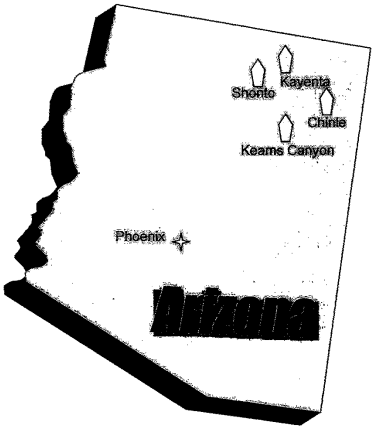
From: Earl E. Devaney
Inspector General Earl E Devaney

Subject: Health and Safety Deficiencies at Bureau of Indian Education Elementary and Secondary Schools (Report No. C-IN-BIA-0008-2007)

This report describes conditions at Bureau of Indian Education (BIE) schools that require immediate action to protect the health and safety of students and faculty.

We visited 13 schools as part of our Department-wide audit to determine if the Department of the Interior and its bureaus have effectively identified, prioritized, and mitigated health and safety deficiencies related to maintenance of their constructed infrastructure that could affect students, employees and the public. Although we have not yet completed this audit, we wanted to bring to your attention the serious health and safety deficiencies we identified at BIE schools.

We found severe deterioration at elementary and secondary schools, including boarding schools, that directly affects the health and safety of Indian children and their ability to receive an education. Deterioration ranged from minor deficiencies, such as leaking roofs, to severe deficiencies, such as classroom walls buckling and separating from their foundation. Other severe deficiencies included outdated electrical systems, inadequate fire detection and suppression systems, improperly maintained furnaces, and condemned school buildings that have not been torn down to remove the health and safety hazards. Some of these buildings have been condemned for over 10 years and are still not surrounded by protective fencing to prevent access to students. These severe deficiencies have the potential to seriously injure or kill students and faculty and require immediate attention to mitigate the problems. This report highlights conditions at four schools in Arizona, including Chinle Boarding School, Kayenta Boarding School, Shonto Preparatory School and Keams Canyon Elementary School. The appendix describes conditions found at the other nine schools we visited.



Background

The Office of Indian Education Programs was established in the late 19th century to carry out the federal government's education commitment to Indian tribes. In 2006, the Bureau of Indian Affairs restructured its Office of Indian Education Programs to create the BIE.

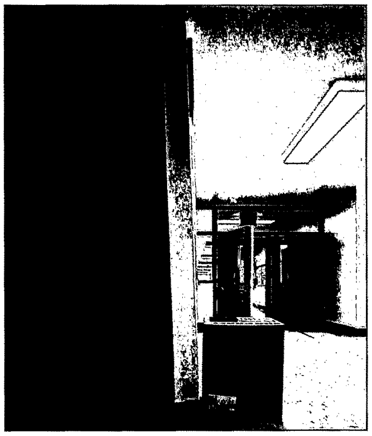
BIE has responsibility for 184 elementary and secondary schools and dormitories, as well as 27 colleges, located on 63 reservations in 23 states. These schools serve approximately 60,000 students representing 238 tribes. The schools are primarily in Arizona and New Mexico, with most of the schools located on the Navajo Reservation. Of the 184 schools, 59 are fully managed by BIE. The remaining 125 schools are operated by Tribes and their representatives.

The Bureau of Indian Affairs publishes a Replacement School Construction Priority List to determine the order in which Congressional appropriations are requested to replace aging BIE-funded schools and dormitories. One of the components of the prioritization process involves identifying which schools have critical health and safety deficiencies. Of the four schools highlighted in this report, the Kayenta Boarding School was on the 2000 priority list, with a construction start date planned for 2001, but construction has not yet started. The Keams Canyon School was ranked 7th out of 14 schools on the 2004 list and remains on the list because funding has not been approved. One school identified in our appendix to this report, Little Singer Community School in Arizona, is ranked 13th out of 14 on the 2004 list.

Chinle Boarding School

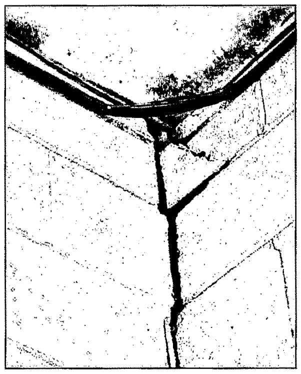
Chinle Boarding School, located in Many Farms, Arizona, is a BIE-operated school, with approximately 385 kindergarten through 8th grade students and 90 staff members. About 50 children are boarded at the school. Except for a dormitory, built in 2004, school facilities were constructed in the early 1960s.

We found serious health and safety deficiencies, especially in the academic buildings, including severe structural cracks in walls and walls that are shifting because of unstable foundations. The wall movement is exerting pressure on natural gas lines, electrical wires, and boiler room components. If the pipe lines or wiring is damaged, escaping natural gas or electrical discharges could result in an explosion and potential loss of life.



Crumbling foundations in the academic buildings are causing entire walls to move. The academic buildings include the administration offices, boiler room and four wings of classrooms. We placed the box to illustrate how much the wall in the administration building has moved.

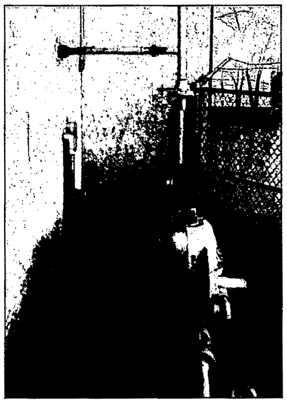
The school's cafeteria has been condemned since July 2006 because of severe cracks in the building and shifting walls. A contractor evaluating the cafeteria stated, "Should this wall collapse it could have a domino effect and the entire roof structure could collapse. Should this occur, when occupied, there could be massive injuries, including death of children." The academic buildings currently in use have similar structural deficiencies and risks to students and staff.



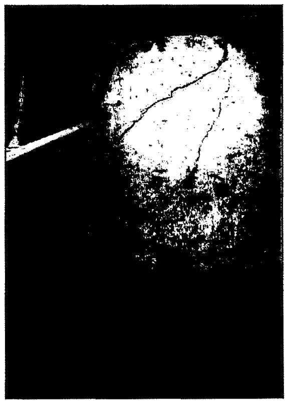
There are many severe cracks inside the academic buildings, which could cause wiring to short-circuit.

Since the cafeteria is condemned, school children are now transported by bus to an alternative meal site, resulting in four injuries to students and staff. Because transporting students after school takes so much time on poorly maintained reservation roads, buses return late and students in the dorms receive cold meals.

Other health and safety deficiencies at the school include leaking roofs, a non-operable fire alarm system and the use of a condemned building. In recent years, leaks in the school's library roof have resulted in two electrical fires. Toxic air from the most recent fire forced closure of the library for a month. The school's fire alarm system also does not work. School officials stated that in the event of a fire, their priority is "to remove the children and let the facility burn." A building condemned about 35 years ago continues to be used on a regular basis as a locker room and practice facility for student athletes. The student athletes were moved into the condemned building because school officials felt this building



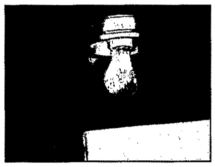
Flexible gas line components replaced the old gas lines to accommodate the shifting walls. Shifting walls could rupture gas lines, causing an explosion in the academic buildings.



Crumbling and unstable foundations are causing school walls to shift and creating the potential for a life-threatening accident in the academic buildings.

was in better condition than a non-condemned one that was being used. Despite these critical health and safety issues, Chinle Boarding School is not scheduled to be replaced.

Shonto Preparatory School



Exposed light fixture in locker room shower can electrocute the students.

Shonto Preparatory School, located in Shonto, Arizona, is a Tribally-operated school. The school, which was built in the 1960s, has about 550 kindergarten through 8th grade students, 100 of which are boarded.

The school has 180 employees, and approximately 140 employee quarters. The school is not scheduled to be replaced. We found serious electrical deficiencies that increase the risk of fire and endanger the lives of students. The school does not have sufficient electrical capacity to support a computer lab, so duct tape was placed over the circuit breaker to prevent it from tripping. This unsafe practice could ultimately overload the circuits and cause an electrical fire. We also saw electrical extension cords in the class rooms and hallways; they are routed through brick walls and dangle from ceilings. In addition to these unsafe practices, the school's fire alarm system does not work properly. The school has an ongoing rodent problem and hantavirus, a deadly disease that can be contracted from rodent feces, is a concern. A hantavirus scare last summer, when three dead mice were found in air ducts, resulted in the school closing for 1 week. In addition to the electrical and rodent problems, we observed paint chipping on the school's exterior that we were told was lead paint, a filthy sink that we were told was used for food preparation, food splattered on the kitchen ceiling, and an exposed light fixture in a shower stall in the girls' locker room. We believe that many of these health and safety problems could have been avoided with routine preventative maintenance and good housekeeping practices.

Filthy sink used for food preparation is an incubator for germs and bacteria.

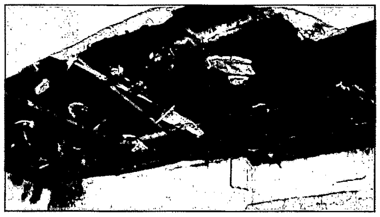
During our review, we learned of an employee and her husband who became ill and were taken to a hospital where they were diagnosed with carbon monoxide poisoning. The source was an aging wall furnace within their quarters that had not been properly maintained. The quarters are bureau owned, and the incident could result in a tort claim. We were told by school officials that the furnaces in over 100 of the employee quarters pose this same risk.

Keams Canyon School

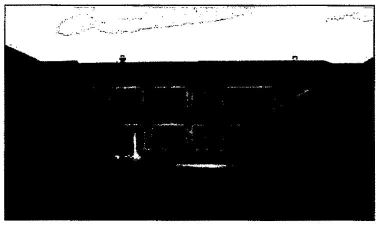
Keams Canyon School, initially built in 1928, is a BIE-operated school in Keams Canyon, Arizona. The school, now only a day school, has 60 kindergarten through 6th grade students. The most serious problem at the school is condemned buildings, which have not been sufficiently boarded up and can be accessed by children.

The buildings have deficiencies that include collapsed floors, flooding, mold, broken glass, and stored toxic chemicals. The buildings include dormitories, which have been condemned for about 10 years, and a condemned industrial arts building.

This condemned building is unfenced and within 100 yards of children's classrooms and play areas.



Water damaged ceiling in a condemned dormitory that is being accessed, possibly by children.



Current cafeteria is on the right and is surrounded by condemned dormitories. Water from a broken pipe had turned to ice, endangering children who play in the courtyard.

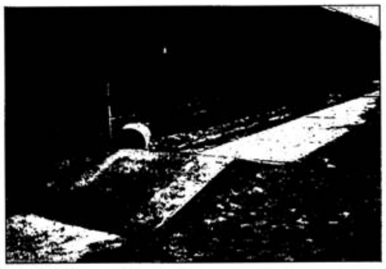
A failed inspection tag, dated 2002, hangs from the continuously leaking boiler.

The buildings need to be demolished or children could be seriously injured. Additionally, the boiler, which is still in operation, leaks large amounts of water and has not been inspected since 2002, at which time it failed inspection.

Kayenta Boarding School

Kayenta Boarding School, a BIE-operated school, is located in Kayenta, Arizona, and has about 450 kindergarten through 8th grade students. The process to build a new school began in 1999 and planning had reportedly started; yet construction has not been scheduled.

Mold in employee work area. Note: We understand that this wall has since been removed, but a mold remediation expert was not used.



Unprotected buckled sidewalks are an "attractive nuisance." They pose a serious safety risk to students who may be attracted to play on them.

We identified severe health and safety deficiencies at the school. The most serious deficiencies include a buckled sidewalk, water leaks near electrical outlets and light fixtures in the cafeteria, and mold on an office wall. We also learned that the gym fire sprinklers were inoperable.

Conclusion

BIE needs to take immediate action to address health and safety deficiencies identified in this report. Additionally, we are concerned health and safety could be a wider spread problem at other schools. In fact, BIE has identified that 69 of its schools (38%) are in poor condition. Failure to mitigate these conditions will likely cause injury or death to children and school employees.

Recommendations

We recommend that the Assistant Secretary, Indian Affairs require the Directors of BIA and BIE:

1. ***Stabilize or vacate buildings currently in use that are in imminent danger of collapse.***

2. ***Demolish or take immediate steps to prevent access to condemned buildings until they are demolished.***

3. ***Develop and implement inspection and abatement plans to identify and mitigate all health and safety hazards at BIE schools.***

This flash report is being issued to notify both Departmental and bureau management of serious health and safety issues that we found so that immediate action can be taken. Our Department-wide audit report will address some of the more comprehensive factors that contributed to these health and safety deficiencies.

The Department-wide audit is being done in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Please provide us with your written comments to this report and a summary of actions taken or planned by **July 2, 2007**. Please address your response to:

Ms. Anne L. Richards
Assistant Inspector General for Audits
U.S. Department of the Interior
Office of Inspector General
1849 C Street, NW, MS 5341
Washington, D.C. 20240

Appendix

Schedule of 9 BIE Facilities & Related Deficiencies

Facility	Deficiencies Observed
Jeehdeez'a Academy (Low Mountain) Pinon, Arizona	Deteriorating and inoperable bathroom facilities; numerous fire suppression deficiencies; inadequate water and electrical systems
Kinlani Bordertown Dormitory Flagstaff, Arizona	Existing dormitory is unsafe; wood paneling is not fire-rated; interior walls block fire sprinklers; padlocks on gym doors could trap students in the event of fire; exposed asbestos and water damage in kitchen Construction of new dormitory delayed; planned infrastructure such as pavement around the dormitory eliminated due to budget constraints; muddy conditions around the new dormitory
Little Singer Community School Winslow, Arizona	Deteriorating kitchen floors; overloaded electrical systems resulting from technology demands; broken glass in windows and doors; intermittent phone service
Tuba City Boarding School Tuba City, Arizona	Over 20 condemned bureau-owned buildings in the vicinity of the school; several have collapsing roofs and floors as a result of past fires
Sherman Indian High School Riverside, California	Overloaded electrical systems resulting from technology demands; old carpeting creating trip hazards; inadequate exterior lighting; phones sometime short-circuit the fire alarm system
Beclabito Day School Shiprock, New Mexico	Uneven floors; construction of new school delayed
Sanostee Day School Sanostee, New Mexico	Condemned building with severe cracks adjacent to school and not surrounded by protective fencing; fire alarm system not integrated between buildings
Oglala Community School, Pine Ridge, South Dakota	Lead-based paint in student dorm; no handrails on exterior stairs; exterior siding falling off newer units; roof in need of completion
Okreek School Okreek, South Dakota	Missing interior stairway handrail; exterior stairway wall cracked; unlevel concrete stairs; noncompliant fire alarm system; no protective sprinkler system

New School Construction

Dollars in Thousands

School	Construction Amount	Planning & Design Amount	Total Funding
Education Construction Replacement School Construction:			
Rough Rock	72,000	0	72,000
Crow Creek High School	55,850	3,910	59,760
Kaibeto Boarding School	80,337	5,624	85,961
Blackfeet Boarding School	23,800	1,666	25,466
Beatrice Rafferty School	9,628	674	10,302
Little Singer Community School	16,036	1,123	17,159
Cove Day School	9,496	665	10,161